

NAVAL POSTGRADUATE SCHOOL

MONTEREY, CALIFORNIA

MBA PROFESSIONAL REPORT

Evaluating Leadership's Approach to Implementing Organizational Change Across the Naval Aviation Enterprise with a Focus on the Development of Fleet Readiness Centers

> By: Christopher M. Sacco, Jason D. Lovell December 2006

Advisors: Deborah E. Gibbons,

Philip Candreva



REPORT DOCUMENTATION PAGE

Form Approved OMB No. 0704-0188

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188) Washington DC 20503.

Management and Budget, Paperwork Redu	ction Project (0704-0188) Washington DC 2	20503.
1. AGENCY USE ONLY (Leave blank)	2. REPORT DATE December 2006		YPE AND DATES COVERED MBA Professional Report
4. TITLE AND SUBTITLE: Evaluating Implementing Organizational Change with a Focus on the Development of Fl. AUTHOR(S) Christopher M. Sacco, Ja	Across the Naval Avia leet Readiness Centers		5. FUNDING NUMBERS
•	PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Naval Postgraduate School 8. PERFORMING ORGANIZATION REPO		ORGANIZATION REPORT
9. SPONSORING / MONITORING AGI N/A	ENCY NAME(S) AND A	ADDRESS(ES)	10. SPONSORING / MONITORING AGENCY REPORT NUMBER
11. SUPPLEMENTARY NOTES. The v policy or position of the Department of Def			e author(s) and do not reflect the official
12a. DISTRIBUTION / AVAILABILITY Approved for public release: distribution			12b. DISTRIBUTION CODE

13. ABSTRACT (maximum 200 words)

NAVAIR is currently realigning its Aviation Maintenance infrastructure to fall under the overarching umbrella of the newly minted Naval Aviation Enterprise (NAE). This realignment will call for a new enterprise-wide strategy and structure. Hierarchies and relationships are being redefined throughout the enterprise resulting in entirely new organizational structures functionally equivalent to industry's small business units. This realignment will result in the elimination of Intermediate level maintenance as it exists today and presents a myriad of challenges to the Fleet in the terms of achieving business efficiencies and employee relationship management. This MBA Project evaluates, by survey, how effectively the U. S. Navy and Marine Corps have managed the change effort as they continue to realign their Intermediate and Depot level units under the new FRC construct.

14. SUBJECT TERMS Organizational Behavior, Naval Aviation Enterprise, Fleet Readiness Center, NAE, FRC.			15. NUMBER OF PAGES 185 16. PRICE CODE
17. SECURITY	18. SECURITY	19. SECURITY	20. LIMITATION
CLASSIFICATION OF	CLASSIFICATION OF THIS	CLASSIFICATION OF	OF ABSTRACT
REPORT	PAGE	ABSTRACT	
Unclassified	Unclassified	Unclassified	UL

NSN 7540-01-280-5500

Standard Form 298 (Rev. 2-89) Prescribed by ANSI Std. 239-18

Approved for public release; distribution is unlimited

EVALUATING LEADERSHIP'S APPROACH TO IMPLEMENTING ORGANIZATIONAL CHANGE ACROSS THE NAVAL AVIATION ENTERPRISE WITH A FOCUS ON THE DEVELOPMENT OF FLEET READINESS CENTERS

Christopher M. Sacco, Lieutenant Commander, United States Navy Jason D. Lovell, Captain, United States Marine Corps

Submitted in partial fulfillment of the requirements for the degree of

MASTER OF BUSINESS ADMINISTRATION

from the

NAVAL POSTGRADUATE SCHOOL December 2006

Authors:	
	Christopher M. Sacco
	Jason D. Lovell
Approved by:	Deborah E. Gibbons, Lead Advisor
	Philip Candreva, Support Advisor
	Dobort N. Dools Doon
	Robert N. Beck, Dean Graduate School of Business and Public Policy

EVALUATING LEADERSHIP'S APPROACH TO IMPLEMENTING ORGANIZATIONAL CHANGE ACROSS THE NAVAL AVIATION ENTERPRISE WITH A FOCUS ON THE DEVELOPMENT OF FLEET READINESS CENTERS

ABSTRACT

NAVAIR is currently realigning its aviation maintenance infrastructure to fall under the overarching umbrella of the newly minted Naval Aviation Enterprise (NAE). This realignment will call for a new enterprise-wide strategy and structure. Hierarchies and relationships are being redefined throughout the enterprise, resulting in entirely new organizational structures that are functionally equivalent to industry's small business units. This realignment, which will eliminate Intermediate level maintenance as it exists today, presents a myriad of challenges to the Fleet in the terms of achieving business efficiencies and employee relationship management. This MBA Project evaluates, by survey, how effectively the U. S. Navy and Marine Corps have managed the change effort as they continue to realign their Intermediate and Depot level units under the new FRC construct.

TABLE OF CONTENTS

EXE	CUTI	VE SUMMARY	1	
I.	INT	RODUCTION	3	
_,	Α.	BACKGROUND		
		1. Aviation Maintenance Structure and Design Overview		
		2. Traditional NAVAL Aviation Maintenance Operati		
		Concepts Overview	_	
		a. The Three Levels of Maintenance		
		b. Depot (D) Level Maintenance		
	В.	PURPOSE		
	C.	RESEARCH QUESTION		
	D.	STUDY BENEFIT		
II.	THE	E NAVAL AVIATION ENTERPRISE	15	
	A.	BACKGROUND		
	1.4.	1. The Evolving Organizational Structure		
		2. Concept of Reduced Cost from a More Capable Repair Source		
		3. Benefits of Integration		
		4. Leadership Design and Directions		
	В.	THE FRC CONCEPT AS A MACHINE		
	C.	THE FRC AS A POLITICAL SYSTEM		
III.	I IT	ERATURE REVIEW	31	
111.	A.			
	В.	ORGANIZATIONAL CHANGE		
	ъ.	1. Kurt Lewin: Force Field Analysis		
		2. John Cresie: Changing the Culture of your Organization		
		a. Develop a Vision for the Future	3 <i>4</i>	
		b. Develop a Written Mission Statement		
		c. Develop a Set of Core Values	34	
		d. Examine Established Work Processes	34	
		3. John Kotter		
		a. Kotter's Eight Steps Consist of		
		b. Kotter on Leadership		
		c. Kotter on Transforming Organizations	38	
		4. Jeanie Daniel Duck		
		5. Reward Practices		
		6. Psychological Contracts		
	C.	SUMMARY		
IV.		SEARCH METHODOLOGY		
11.	A.	INTRODUCTION		
	В.	SURVEY PARTICIPANTS		
	Б. С	RESEARCH DESIGN AND RATIONALE		

	D.	SURVEY DEVELOPMENT	45
	E.	FACTOR ANALYSIS AND SCALE CONSTRUCTION	46
	F.	VARIABLE CONSTRUCTION	
		1. Urgency	47
		2. Incentives Tied to Change	
		3. Organizational Commitment to Change	
		4. Attitude	
		5. Information	
		6. Communication	49
		7. Leadership Support of Airspeed	49
		8. Perception	49
		9. Leadership Visibility	
	G.	INITIAL MODEL CONSTRUCTION	
	H.	INFORMAL INTERVIEWS AND OBSERVATIONS	51
V.	ANA	LYSIS	53
	A.	OVERVIEW	
	В.	TECHNICAL ANALYSIS	53
		1. Correlations	53
		2. Mean and Standard Deviation Information	55
		3. Discussion of Organizational Commitment Regression Te	est
		Model	55
		4. Discussion of Perception Regression Test Model	58
		5. Discussion of Information Regression	61
		6. Discussion of Attitude Regression Model	63
VI.	CON	ICLUSIONS	67
V 1.		RESSION MODEL IMPLICATION TO FLEET READINES	
	KEG	CENTERSCENTERS	
VII.		AL COMMENTS	
	A.	OBSERVATIONS	
	В.	RECOMMENDATIONS	72
APPI	ENDIX	A. SURVEY RESPONSES	75
APPI	ENDIX	B. SITE VISITS	155
LIST	OF R	EFERENCES	167
INIT	IAI DI	ISTDIRIJTION I IST	160

LIST OF FIGURES

Figure 1.	O-Level Maintenance Department Line and Staff Relationships (Navy)	6
Figure 2.	O-Level Maintenance Department Line and Staff Relationships (Marine	
	Corps)	7
Figure 3.	I-Level Maintenance Department/Detachment Organization (Navy	
	Ashore)	9
Figure 4.	I-Level Maintenance Department/Detachment Organization (Navy Afloat).	.10
Figure 5.	I-Level Maintenance Department Organization (Marine Corps)	.11
Figure 6.	Naval Air Depot Organizational Chart	.13
Figure 7.	Aging Fleet in Need of Recapitalization	.16
Figure 8.	Historical Reporting Relationship	.18
Figure 9.	Type Wing Iteration	.19
Figure 10.	Potential FRC Organization	.20
Figure 11.	Potential Organization of Fleet Readiness Centers	.21
Figure 12.	Decline in Ability to Recapitalize	.29
Figure 13.	Lewin's Force Field Analysis Model	.33
Figure 14.	Voluntary Participation	.43
Figure 15.	Respondent Composition	.44
Figure 16.	Respondent Pay grade Distribution	.44
Figure 17.	Organizational Change Model	.51
Figure 18.	Sample Sizes and Correlations Among Variables	.54
Figure 19.	Organizational Commitment to Change Regression Test Model	.57
Figure 20.	Perception Regression Test Model	.59
Figure 21.	Interrelationship of predictor variables mediating outcome of perception	
	regression model	.61
Figure 22.	Information Regression Test Model	.62
Figure 23.	Attitude Regression Test Model	.64
Figure 24.	Comparison of Organizational Commitment to Change Test Model and	
	Information Regression Test Model	.67
Figure 25.	Comparison of Perception Regression Test Model and Attitude Regression	
	Test Model	.68

LIST OF TABLES

Table 1.	Descriptive Statistics	55
Table 2.	Organizational Commitment to Change Regression Model	58
Table 3.	Perception Regression Model	
Table 4.	Information Regression Model	
Table 5.	Attitude Regression Model	65

ACKNOWLEDGMENTS

We would like to gratefully acknowledge the assistance of the Naval Postgraduate School's faculty and staff in the preparation of this MBA Project. We express particular thanks to Professor Deborah Gibbons and CDR Philip Candreva, USN (ret), who devoted a considerable amount of time from their already hectic schedules to advise on this project. Without their assistance, the production of a quality project would have been exponentially more difficult.

EXECUTIVE SUMMARY

Over the past five years, the United States Navy and Marine Corps have endeavored to achieve a myriad of efficiencies through their respective organizations, ultimately trying to bring all facets of Naval aviation under one overarching enterprise concept called the Naval Aviation Enterprise (NAE). The NAE is an attempt to resolve issues facing Naval aviation on an "enterprise-wide basis". As part of the submission to the Base Realignment and Closure Commission (BRAC), Navy leadership began to rethink how it manages its aviation maintenance operations. Leadership concluded that integration of the Naval Aviation Depots (NADEP) with the CONUS Aircraft Intermediate Maintenance Detachments (AIMD) could produce meaningful efficiencies in maintenance operations. This resulted in the creation of Fleet Readiness Centers (FRC). Aside from structural changes to both these organizations, the plan calls for the elimination of traditional Intermediate level maintenance practices and redefines the workflow from the Organizational to the Depot level. Leadership intends to "align and streamline the production capability and capacity of the Depots with the AIMDs into a single off-aircraft maintenance provider". This MBA Project examines the change process within this large and complex organization through the evaluation of a survey administered to 247 aviation maintenance personnel. Results indicate that members of the Navy have been better informed and feel more positive toward the changes than members of the Marine Corp. Factors contributing to knowledge relevant to the new processes and attitude toward the change include perceived urgency, incentives tied to the change, leadership support, and informal communication about the change.

¹ RADM Mike Hardee, Aviation Maintenance Duty Officer Association Newsletter, Vol. 25, Winter 2005-2006.

I. INTRODUCTION

This study identifies organizational change elements and principles necessary for promoting Naval Aviation Enterprise (NAE) success in a hierarchical organization that is undergoing and still planning to undergo change. This study conducted a survey of aviation maintenance personnel and through applied research identified key items for improved change process. This study can provide a look into and a reference or guideline for change in similar hierarchical organizations.

A. BACKGROUND

This chapter provides a background on the traditional structure and design of Naval aviation maintenance and an overview of traditional operating concepts to give an understanding of the way aviation maintenance is structured. This structure is provided to give a reference to understand the shift from three levels of maintenance to the two levels proposed by combining the Intermediate and Depot levels of aviation maintenance.

1. Aviation Maintenance Structure and Design Overview

The traditional design of Naval aviation maintenance activities involved vertical integration of its infrastructure, with independent organizations having formally established hierarchies as dictated by the Naval Aviation Maintenance Program, (NAMP). Personnel within the infrastructure were assigned legitimate power and authority commensurate with their ranks and positions. Leaders used their assigned power to direct work assignments and allocate resources to accomplish their mission. As related to the maintenance function for which an organization was responsible, each leader exercised a relatively narrow span of control. To assist in accomplishing the mission, many processes were standardized to ensure compliance with written directives and instructions.

The tall structure contained many layers of management, lending itself to centralized decision making. This centralized decision making was accomplished even

though aviation maintenance units are geographically separated due to world wide deployments, a permanent overseas presence and forward operating bases.

2. Traditional NAVAL Aviation Maintenance Operating Concepts Overview

Naval aviation maintenance has traditionally been performed across three distinct levels; Organizational, Intermediate and Depot. Guidance for both the structure of these organizations and their maintenance practices is addressed in the Naval Aviation Maintenance Program (NAMP). The NAMP is sponsored and directed by the Chief of Naval Operations² (CNO), in coordination with the Commandant of the Marine Corps ³(CMC). A recent change to the NAMP has made Commander Naval Air Forces, (COMNAVAIRFOR) 4 the cognizant activity exercising control over all subordinate aviation organizations. Previously, two organizations exercised similar control over the aviation enterprise, but with geographically divided responsibilities; Commander Naval Air Forces Atlantic (CNAL), exercised control over all activities assigned to the Atlantic region, and Commander Naval Air Forces Pacific (CNAP), exercised control over all Pacific assets. In spite of their divided responsibilities, CNAP held primary authority for oversight of both Atlantic and Pacific maintenance operations. In practice, this division of responsibility was tantamount to a degree of decentralized control that resulted in dissimilar maintenance procedures – a problem the NAE intended to correct. To eliminate this problem, both CNAP and CNAL were put under the consolidated control of COMNAVAIRFOR in 2006. This resulted in a change in the Naval aviation's primary maintenance directive from the OPNAVINST 4790.2 to the COMNAVAIRFORINST 4790.2.

The new COMNAVAIRFORINST 4790.2 has become the primary instruction that offers guidance to all aviation maintenance organizations subject to executing the NAMP. It contains specific guidance on concepts, policies, organizational structures,

² COMNAVAIRFORINST 4790.2, Volume I, 1 February 2005, Ch 1 par 1.1.

³ COMNAVAIRFORINST 4790.2, Volume I, 1 February 2005, Ch 1 par 1.1.

⁴ COMNAVAIRFORINST 4790.2, Volume I, 1 February 2005, Ch 7 par 7.1.

maintenance, data processing, and standard operating procedures. The COMNAVAIRFORINST 4790.2 is organized into five volumes. Volume I addresses concepts, policies, organizations, maintenance support procedures, and Organizational level (O-level) and Intermediate level (I-level) maintenance. Volume II addresses concepts, policies, organizations, and support procedures for Depot level (D-level) maintenance. Volume III addresses the Maintenance Data System (MDS). Volume IV addresses aviation maintenance (3M) data processing requirements. Volume V addresses NAMP Standard Operating Procedures.

a. The Three Levels of Maintenance

The Organizational, Intermediate and Depot levels of aviation maintenance are distinct. The following briefly discusses the basic concepts of each level of maintenance.

1. Organizational (O) Level Maintenance. Organizational level maintenance is performed by an operating unit on a day-to-day basis in support of its own operations. O-level maintenance maintains assigned aircraft and aeronautical equipment in a full mission capable status while continually improving the local maintenance process. While O-level maintenance may be done by I-level or D-level activities, O-level maintenance is usually accomplished by maintenance personnel assigned to aircraft reporting custodians⁵. O-level maintenance functions generally can be grouped under the categories of inspections, servicing, handling, on-equipment corrective and preventive maintenance, incorporation of Technical Directives, record keeping and reports preparation⁶.

The O-level organization is broken down into different O-level maintenance structures with both Line and Staff Relationships contained within.

⁵ COMNAVAIRFORINST 4790.2, Volume I, 1 February 2005, Ch 7 par 7.1.1.

⁶ COMNAVAIRFORINST 4790.2, Volume I, 1 February 2005, Ch 7 par 7.1.1b 1-6.

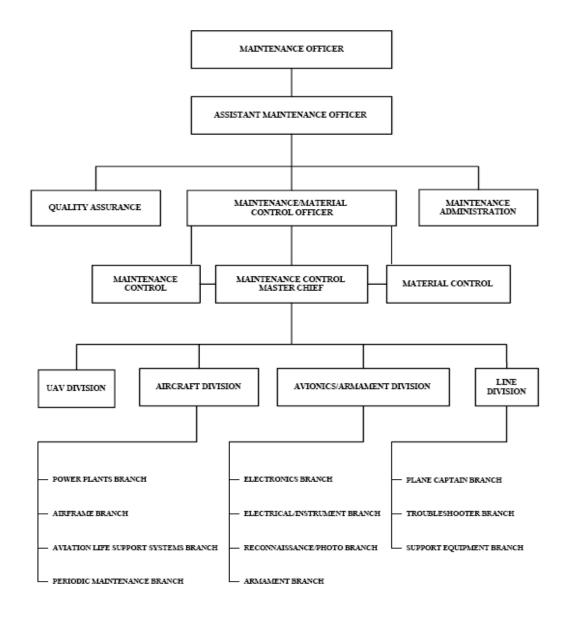
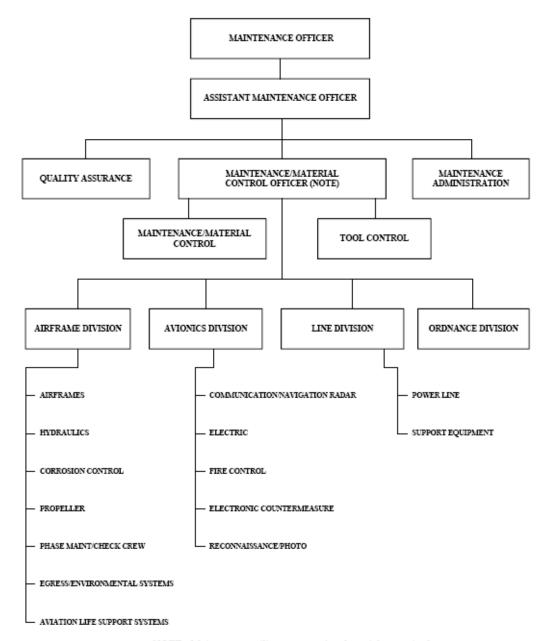


Figure 1. O-Level Maintenance Department Line and Staff Relationships (Navy)⁷

 $^{^7}$ COMNAVAIRFORINST 4790.2, Volume I, 1 February 2005, Ch 8 Fig 8-1.



NOTE: Maintenance military occupational specialty required.

Figure 2. O-Level Maintenance Department Line and Staff Relationships (Marine Corps)⁸

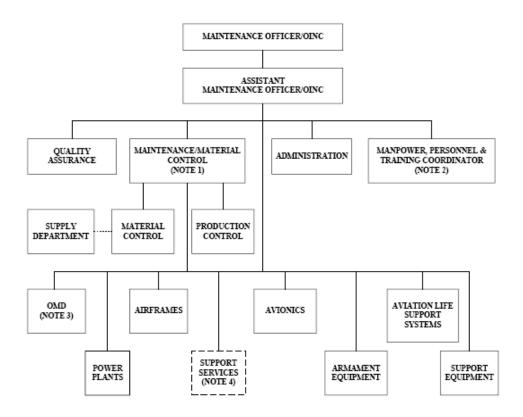
 $^{^8}$ COMNAVAIRFORINST 4790.2, Volume I, 1 February 200,5 Ch 8 Fig 8-2.

2. Intermediate (I) Level Maintenance. The purpose of I-level maintenance is to enhance and sustain the combat readiness and mission capability of supported activities by providing quality and timely material support at the nearest location with the lowest practical resource expenditure⁹. I-level maintenance consists of on and off equipment material support and encompasses maintenance on aeronautical components and related Support Equipment, Fleet Calibration Activities, processing aircraft components from stricken aircraft, providing technical assistance to supported units, incorporation of Technical Directives, manufacture of selected aeronautical components, liquids, gases, as well as the performance of on-aircraft maintenance¹⁰.

The organization of I-level maintenance is broken down into three different Line and Staff relationships across Navy Ashore, Navy Afloat, and deployable Marine Corps units.

⁹ COMNAVAIRFORINST 4790.2, Volume I, 1 February 2005, Ch 7 par 7.1.2.

¹⁰ COMNAVAIRFORINST 4790.2, Volume I, 1 February 2005, Ch 7 par 7.1.2b 1-8.



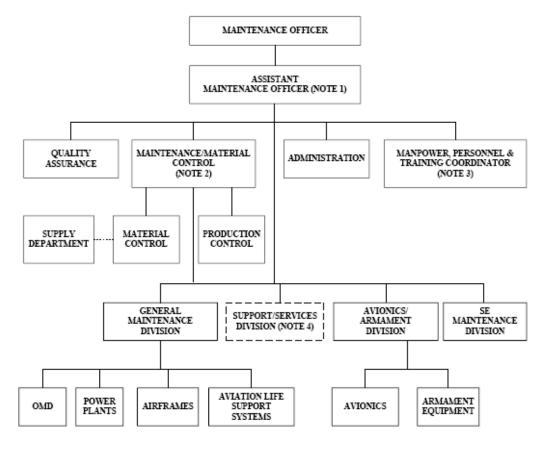
Breakdowns beyond the basic divisions are not illustrated because of the variety of branches possible. Activities will be required to establish the necessary branches to meet their individual requirements. Branches should be established only when more than one work center is involved, for example, Jet Engine Branch with work centers J79 engine and J52 engine.

NOTES

- 1. Direct authority for production matters only.
- For larger IMAs that have more than 500 personnel (including TAD personnel). This position is not required for IMAs with less than 500 personnel.
- When specific authority has been granted to combine the OMD and IMA, an organizational maintenance division will be established.
- This is an optional division. Support services may include IMRL and other functions as determined by the MO.

Figure 3. I-Level Maintenance Department/Detachment Organization (Navy Ashore)¹¹

¹¹ COMNAVAIRFORINST 4790.2, Volume I, 1 February 2005, Ch 8 Fig 8-5.

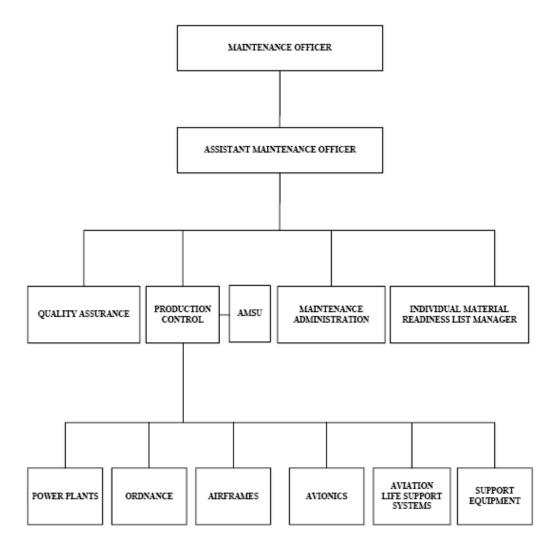


NOTES

- This organization chart may be authorized by cognizant TYCOM for certain shore activities with limited manpower allowances.
- 2. Direct authority for production matters only.
- 3. Authorized for CVs and a shore IMAs larger than 500 personnel.
- This is an optional division authorized for CVs only. Support services may include IMRL, damage control, and other functions as determined by the MO.

 $Figure\ 4. \quad I-Level\ Maintenance\ Department/Detachment\ Organization\ (Navy\ Afloat)^{12}$

¹² COMNAVAIRFORINST 4790.2, Volume I, 1 February 2005, Ch 8 Fig 8-6.



Breakdowns beyond the basic divisions are not illustrated because of the variety of branches possible. Activities will be required to establish the necessary branches to meet their individual requirements. Branches should be established only when more than one work center is involved, for example, Jet Engine Branch with work centers for J79 engine and J52 engine.

Figure 5. I-Level Maintenance Department Organization (Marine Corps)¹³

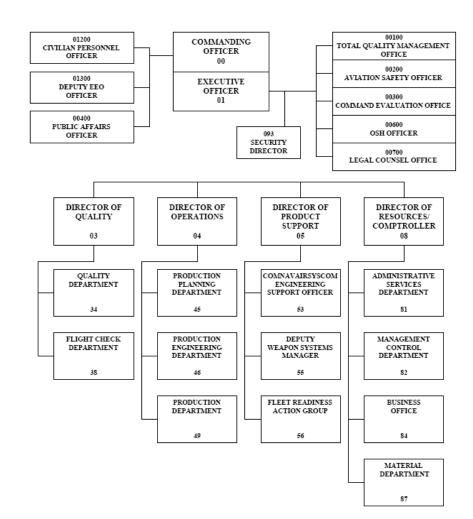
 $^{^{13}}$ COMNAVAIRFORINST 4790.2 , Volume I, 1 February 2005, Ch 8 Fig 8-7.

b. Depot (D) Level Maintenance

D-level maintenance is performed at or by Naval aviation industrial establishments to ensure continued integrity and serviceability of airframes and flight systems during subsequent operational service periods¹⁴. D-level maintenance is also performed on material requiring major overhaul or the rebuilding of parts, assemblies, subassemblies, and end-items. It includes manufacturing parts, modifying, testing, inspecting, sampling, and reclamation. D-level maintenance supports O-level and I-level maintenance by providing engineering assistance and performing maintenance beyond their capabilities. The D-level maintenance can be grouped under the categories of aircraft scheduled for D-level maintenance, D-level rework, calibration by Navy calibration laboratories, incorporation of Technical Directives, modifications, manufacture or modification of parts or kits, technical and engineering assistance by field teams, and Age Exploration of aircraft and equipment¹⁵.

¹⁴ COMNAVAIRFORINST 4790.2, Volume I, 1 February 200, 5 Ch 7 par 7.1.3a.

¹⁵ COMNAVAIRFORINST 4790.2, Volume I ,1 February 2005, Ch 7 par 7.1.3b 1-8.



The D-level organization is broken down as depicted in Figure 6.

Figure 6. Naval Air Depot Organizational Chart¹⁶

B. PURPOSE

The purpose of this study is to focus on elements of organizational change deemed critical to the effective implementation of FRCs. These elements include aspects of leadership, incentives, communication, and conveyance of urgency to organization members in the Navy and Marines. Following statistical analyses, the study develops a change model to help guide the NAE's implementation of FRCs.

¹⁶ COMNAVAIRFORINST 4790.2, Volume II, 1 February 2005, Ch 2 Fig 2-1.

C. RESEARCH QUESTION

What organizational change elements and principles are necessary for promoting Naval Aviation Enterprise success within a hierarchical organization?

D. STUDY BENEFIT

- 1. This study is intended to formulate an organizational change model that can provide a reference or guideline for change in similar hierarchical organizations undergoing change or planning to undergo change.
- 2. This study is also intended to provide recommendations to assist the NAE with its implementation of FRCs.

II. THE NAVAL AVIATION ENTERPRISE

This chapter will provide information on the background of the Naval Aviation Enterprise (NAE) and discuss the evolving organizational structure, explain the concept of reduced costs derived from a more capable repair source, benefits of integration, and leadership design and direction.

A. BACKGROUND

The Naval Aviation Enterprise (NAE) began as a strategic vision intended to help align the mission of all organizations within an enterprise concept that would ultimately lead to a single congruent direction for Naval aviation. While some elements of the strategy were implemented as early as 1998, the NAE has been an evolving strategy that did not materialize in the Fleet until 2001. Two major forces drove the development of the NAE; first, the introduction of a Fleet Response Plan (FRP) that required greater flexibility and increased capabilities of operational forces, and second, the need to capture business efficiencies of adequate scale to address a growing recapitalization problem without requiring a significant increase in DoD funding. The concept is that if the DoD can save funds through mandated BRAC changes like the implementation of FRCs, Naval aviation could ostensibly use the saved funds to help recapitalize the aging fleet. Older aircraft are much more costly to maintain than newer aircraft. The average age of an aircraft today is closing in on twenty years as seen in figure 7. The NAE's stated goal is "to deliver the right readiness, at the right cost, at the right time." ¹⁷

¹⁷ Naval Aviation Vision 2020, p.18.

Aging Navy Systems

20-year-old aircraft are very costly to maintain . . . so we need to buy new aircraft

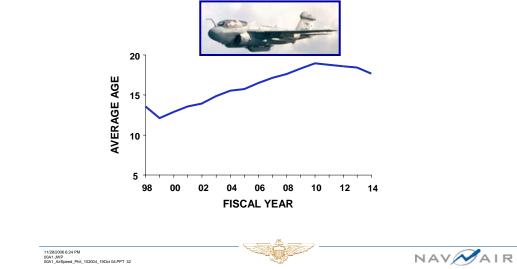


Figure 7. Aging Fleet in Need of Recapitalization¹⁸

The NAE has many business change processes underway. Among these are the Naval Aviation Readiness Integrated Improvement Program (NAVRIIP), AIRSpeed, Depot AIRSpeed, Enterprise AIRSpeed, and NAVAIR AIRSpeed. NAVRIIP and AIRSpeed are realizations of new efficiencies which will incorporate world-class logistics practices. These programs are geared toward reducing costs and improving efficiencies through the use of commercial business practices.

Leading up to the 2005 BRAC, the Navy felt the need to transform how it implemented its off-flight line maintenance functions by removing the distinctions between Intermediate and Depot level maintenance activities. Off-flight line maintenance is when components of an aircraft have been removed from the aircraft on the flight-line to be repaired at the next higher level of maintenance. The theory was that removing these distinctions would lead to an optimized infrastructure that would ultimately yield reduced operating costs through a combination of reduced repair costs

¹⁸ NAVAIR AIRspeed overview Brief, NAVAIR, October 2004.

and increased reliability. This concept would require a transformation to both existing organizational structures and job design. Further, it would require a new approach on how Navy and Marine Corps operational commanders view their readiness requirements.

At the most basic level, combining the Naval Aviation Depots (NADEPs) and Aircraft Intermediate Maintenance Detachments (AIMDs) would "require engineers and logisticians to update maintenance plans, repair procedures and specifications that will remove work content, eliminate "white space" and require less material and labor while improving product output (reliability)."¹⁹ Additionally, the enterprise-wide use of NAVRIIP and AIRSpeed best practices will be crucial to the realization of new efficiencies.

The integration of the AIMDs and Depots will culminate in the creation of Fleet Readiness Centers (FRCs). The FRCs will create cohesion between two previously separated organizations. Under the umbrella of a single organization, there will be more complex interdependencies. Now more than ever before, it will be common place to find Sailors, Marines, civil servants and artisans working side-by-side in integrated work centers. This will require a comprehensive change to existing command organizational structures, as well as reporting relationships and funding requirements.

1. The Evolving Organizational Structure

Prior to the implementation of the FRC concept the Navy utilized three distinct levels of maintenance to maintain its fleet of aircraft; Organizational - performed at the squadron level, Intermediate - a deeper depth of repair performed off the aircraft, and finally, and Depot level maintenance - which involved the most in-depth repairs and skilled artisans. The Intermediate level of maintenance was performed by the AIMDs. The reporting relationship for the AIMD was typified by Figure 8.

¹⁹ CAPT Pete Laszcz, Aviation Maintenance Duty Officer Association Newsletter, Vol. 25, Winter 2005-2006.

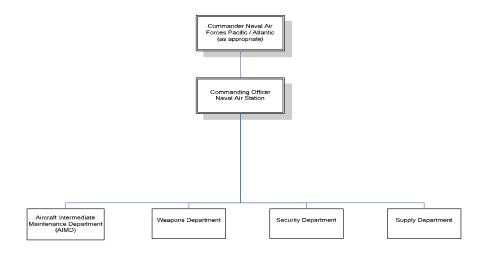


Figure 8. Historical Reporting Relationship

Under this scenario, the AIMDs functioned as departments of a Naval Air Station. Heading up the AIMD was a Department Head that reported to the air station's Commanding Officer. This pit the AIMD in direct competition with the station's other departments for scarce resources and funding.

The next iteration of change came in late 2001 when the AIMDs were realigned with existing Type Wings²⁰. This broke the AIMDs away from the air stations, fleeted the AIMD's Department Head up to the position of Officer in Charge (OIC) and established a reporting relationship to the Commodore of the Type Wing as illustrated in Figure 9.

²⁰ Type Wing – A single command having responsibility for all like type, model and series aircraft and commands under the Type Wing commander.

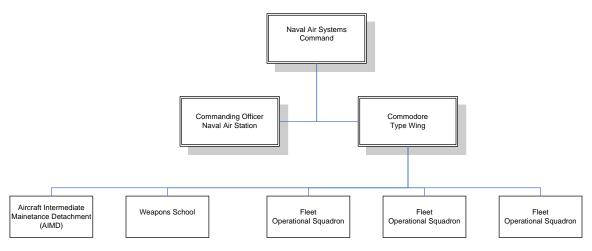


Figure 9. Type Wing Iteration

The resulting structure was advantageous for a number of reasons. First, it maintained the three-level maintenance concept already familiar throughout the Fleet. Second, by virtue of the newly created position of OIC, the AIMDs were empowered to handle the administration of discipline without relying on the non-judicial actions of air station Commanding Officers. This increase in authority not only had the potential to raise the morale of both the officers and enlisted, but to empowered the AIMDs, allowing them to establish their own unique command climates reflective of their OIC's stated vision and goals. Third, the AIMDs gained better control over their personnel. Out of all the departments within an air station, the AIMDs were assigned the largest number of troops. The AIMDs' manpower numbers were not large without reason, but in response to manpower studies which analyzed the organization's mission, functions and tasking. This large pool of manpower made the AIMDs an attractive target when air stations experienced emergent tasking that required a significant number of people. Arbitrary tasking by the station was never a design element in the manpower studies; hence improper utilization of the AIMDs' manpower had severe negative consequences. This resulted in a conflict in priorities. The AIMDs' mandate was to maintain the operational readiness of an aging fleet of aircraft, not cut grass or direct traffic.

Many of the detailed aspects of the new FRC organization are still unresolved. While the final organizational structure may be reflected by Figure 10, what is now know is that the majority of the new FRCs will be commanded by either Navy Captains or

Marine Corp Colonels with approximately two FRCs being commanded by either Commanders or Lieutenant Colonels. This will potentially result in the removing or reshaping of the existing Commander level OIC billets now held at the AIMDs and stripping them of some of their autonomy.

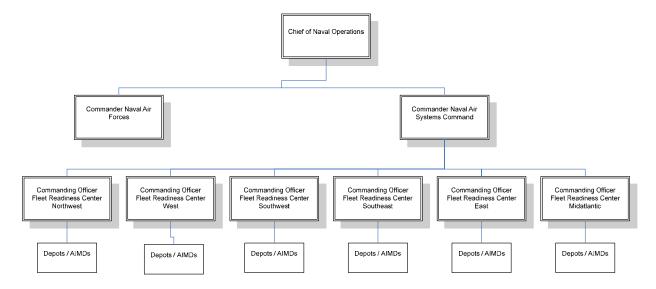


Figure 10. Potential FRC Organization

Perhaps the most significant change under the new FRC concept will be the integration of Intermediate and Depot level maintenance functions and the movement of some of the D-level capability to the I-level in order to create an optimized two-level maintenance concept instead of the current three maintenance levels. Still unknown is how these previously distinct maintenance levels will interact and interface. Most AIMDs and Depot facilities are not co-located on the same base further exacerbating the difficulty with integration.

Six FRCs will be created requiring the consolidation of numerous commands and detachments. In contrast to the ashore AIMDs, afloat AIMDs will affiliate with an ashore FRC, but will retain their existing command structure as a department within the ship and not report directly to a FRC Commanding Officer (CO) but to the ship's CO. The FRCs will consist of FRC Northwest, FRC West, FRC Southwest, FRC Mid Atlantic, FRC East and FRC Southwest as depicted in Figure 11.

Fleet Readiness Centers

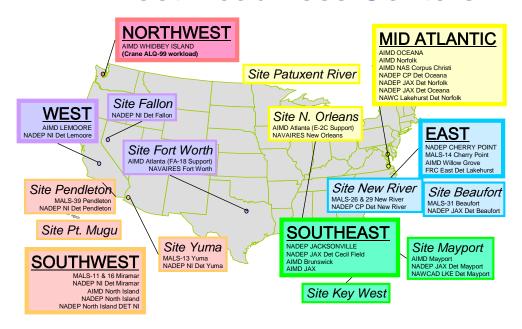


Figure 11. Potential Organization of Fleet Readiness Centers²¹

The Navy has indicated its commitment to this change and has created a Rear Admiral billet of "Commander, Fleet Readiness Centers". The six commanders of the FRCs will report to the Commander, FRCs. This reflects considerable commitment to the aviation maintenance community, which currently has two flag level officers.

2. Concept of Reduced Cost from a More Capable Repair Source

Approximately 30% of the material that passes through and AIMD is classified as Beyond Capable Maintenance (BCM) of the AIMDs. Seventy percent of this material can typically be processed for repair at a NADEP. The initial model indicates that 40 percent of the components diverted for commercial repair could actually be repaired at an AIMD with the introduction of Depot level skills. This would have the effect of increasing the AIMDs' overall repair rates, eliminating 25 percent of the total material previously designated as BCM. The model only holds true as long as interdicted repairs

²¹ Don Fathke & Bob Buckley, Fleet Readiness Center (FRC) Transformation *A Systems Approach*, September 2005.

cost less than designating the material as BCM and utilizing commercial repair or replacement options.

It is also anticipated that by the introduction of more advanced skill sets at lower levels, vis-à-vis the Depot level artisans, the overall quality of maintenance practices will increase. This has the potential to reduced rework requirements and increase component and system reliability.

3. Benefits of Integration

Integration offers the added benefit of creating more agile learning organizations. Where process improvements may have impacted a confined part of the overall enterprise effort, the increased vertical integration will assist in information sharing allowing previously disconnected levels of the organization to capitalize on the concept of "Best Practices".

The overall benefit of developing these agile learning organizations should be reduced cycle time for components in the repair process which should ultimately lead to a decrease in required material inventory and ultimately – cost savings. Corresponding decreases in transportation, storage, and repair equipment should be realized as well.

4. Leadership Design and Directions

Cross functional teams have been established to design architecture, concept of operations and plan of action and milestones for implementation. Provisional standup of headquarters and subordinate elements are to be completed by October 2006.

B. THE FRC CONCEPT AS A MACHINE

1. To think of an organization as a machine is to think of it purely as set of structures and processes designed to perform a task. For the FRC, that task is performing "off flight-line" maintenance. This is not hard to conceptualize, as most military organizations are viewed as machines.²² However, this view can lead to some interesting

²² Morgan Gareth, Images of Organization, 2006, Page 16, 18.

conclusions about the implementation of a strategy. Various briefs and published documents support the notion that the FRC concept was planned from a mechanistic approach. Because aviation maintenance does not meet the criteria for this approach, the reorganization may lead to serious unintended consequences. Among these is the possibility that the FRC will be less responsive to a dynamic environment.

- 2. By using the mechanistic approach, the FRCs can become tools to be managed. They are parts or "boxes" which make the Naval aviation maintenance "machine" work. Viewed mechanistically, it becomes fairly easy to apply Morgan's views on Fredrick Taylor's Scientific Management Principles to the management of the FRCs.²³
 - Shift all responsibility for the organization of work from the worker to the manager. The organization of the FRCs consolidates control over maintenance activities to fewer and higher ranking Aviation Maintenance Officers. It brings maintenance activities up to a level where the Chief of Naval Air Forces (CNAF) has greater visibility and control than ever before.
 - Use scientific methods to determine the most efficient way of doing work. NAE Leadership has been pushing implementation of Lean Six-Sigma and other private sector business programs to improve efficiencies.
 - Select the best person to perform the job thus designed. The NAE is using a Human Capital Strategy to attract and retain the right mix people and skills at the lower levels.²⁴ CNAF has directed one of the main architects of the FRC plan, RADM Hardee, to become head of the FRC organization.
 - Train the worker to do the work efficiently. The intent of the plan is that by having young sailors working alongside experienced civilian artisans; they will learn trade skills quicker and more effectively than in an all-military organization.
 - *Monitor worker performance*. The FRCs will monitor inventory levels, work in process, cycle times, and cost through the use of a myriad of AIRspeed tools.
- 3. The machine metaphor can be taken one step further and be applied to the transformation process as well. A good example would be the introduction of Six-Sigma

²³ Morgan Gareth, Images of Organization, 2006, Page.22, 23.

²⁴ Naval Aviation Vision 2020, Page 108-113.

techniques to maintenance processes to delegate authority. The idea is that if the Six-Sigma process worked well at G.E. or Motorola, then it should work just as well throughout the FRC organizations. CNAF also designated himself as the Chief Executive Officer (CEO) of the NAE, and his lieutenants the Chief Operations Officer (COO) and Chief Financial Officer (CFO). The six FRC commanders will be like G.E.'s "Industry Partners". The concept is being duplicated based on successful organizational change efforts in the private sector and utilizing them in Naval Aviation. The expectation is that they will perform in a similar manner. The NAE has gone so far as to train its own Six-Sigma experts called "Black belts", a name first used by G.E.'s experts.

- 4. Morgan goes on to qualify the use of the mechanistic approach with an organization. In order for the approach to work, the following conditions must exist:²⁵
 - The task to be performed is straightforward
 - The environment is stable enough that the products produced are appropriate
 - The products produced are the same
 - Precision is at a premium
 - The human "machine" parts are compliant and behave as they have been designed to do
- 5. It may be difficult for aviation maintenance, even off-flight line maintenance, to fit into these conditions. These facilities do not produce any actual products. They merely repair equipment. Further, no two repairs, inspections, or upgrades will be exactly the same repetitive assembly line repair. Aviation maintenance is accomplished in a job-shop environment, which requires highly customized and flexible operations. Little stability exists in this environment.
- 6. In a recent brief, CNAF's CEO stated that the organization's culture is "the collective behavior of the *leaders*". implying that if senior leaders set the tone, junior personnel will simply fall in line.

²⁵ Morgan Gareth, Images of Organization, 2006, Page.27.

²⁶ VADM Zortman and VADM Massenburg, "Naval Aviation Enterprise: A Warfighting Partnership", brief for the Naval Aviation Enterprise – Investment Alignment Symposium, 8 March 2006.

This leads to the limitations of the mechanistic approach. These include:²⁷

- Creates organizational forms which have difficulty in adapting to change
- Can result in mindless and unquestioning bureaucracy
- Can lead to the interests of those working in the organization taking precedence over the goals the organization was designed to achieve
- Can have dehumanizing effects upon employees, especially at lower levels
- 7. There may also be some serious unintended human capital consequences of the plan. Under the old structure, AIMDs were staffed by two distinct groups of sailors; those on shore duty and those on sea duty. Both groups were exposed to similar training and tasking in the workplace. Under the FRC, AIMDs will now be staffed by sailors on sea duty who will comprise a Sea Operational Detachment (SEAOPDET). We have to assume that these sailors may receive additional benefit from working side by side with Depot level artisans. This could have two-fold consequences on a sailor's career. First, the reduction in shore duty billets will result in longer sea-shore rotation of our forces – a significant quality of life issue. Secondly, the increased training received by those working alongside the artisans may actually increase their chances for advancement, as enlisted maintainers advance when they can score high enough on the Fleet wide Navy advancement exam for their rate. Sailors not assigned to a FRC may be disadvantaged by not being exposed to the tutelage of the artisans. Lastly, there stands the possibility that a perception may develop regarding a technician's ability based solely on with whom they have worked.
- 8. The enlisted force is not alone in dealing with disparity. When the AIMDs are realigned under the FRC, it opens up the possibility that the AIMDs may no longer be led by Officers in Charge. While the final organizational structure of the FRC is not complete, given that they will be headed by Commanding Officers at the O6 level, there remains a possibility that an OIC's billet will be redesigned as a Department Head within the FRC structure a move that may be viewed as tantamount to losing command by some.

²⁷ Morgan Gareth, Images of Organization, 2006, Page.28.

9. Another major concern is how civilian artisans will be assigned to FRC sub-units. Unless NAVAIR is planning on hiring more artisans, it must be assumed that the manning levels at the Depot are going to go down as their labor force is farmed out in support of the FRC. The assumption is that the Depots will experience fewer throughputs because of the increased quality and depth of maintenance performed in the Fleet. Two potential problems exist with this thinking. First, if the anticipated efficiencies are not experienced, the Depots may find themselves shorthanded and Fleet turnaround time for new inductions may actually increase – counter to the objective of the NAE/FRC. Second, with the adoption of the FRP, there stands the possibility that an unusually large number of ship, battle group, or air wing deployments could occur at any point. This would leave the FRC sites staffed at dangerously low levels negating any improvement in efficiencies.

C. THE FRC AS A POLITICAL SYSTEM

1. Morgan's use of the metaphor of an organization as a political system is centered more on the political tug-of-war between management and labor. However, he also addresses the sources of power within an organization. Formulation of the FRC concept does have the impact of shifting power within Naval Aviation. DoD political appointees act in an environment in which they may have a fairly limited amount of control over their large, slow to change, bureaucratic organizations. They mainly set or establish policy, but have limited abilities to implement it. Senior military officers, on the other hand, have tremendous power to implement changes through the formal authority they have over junior personnel by virtue of law and tradition. In the case of the NAE, there is no evidence to suggest that civilian leadership is involved in setting the direction or checking the actions of military leaders. This doesn't mean they endorse NAE, but they have the power to stop if they didn't agree with it. Thus, CNAF has basically been given *carte blanche* to set the strategy and implement it.

- 2. Morgan describes many sources of power.²⁸
- Formal Authority: The most basic form of power in the military. CNAF is able to restructure maintenance activities simply because he can by virtue of his position. By shifting the organizations, he gains greater visibility and control of activities.
- Control of Scarce Resources: Under the previous maintenance schemes, much of the resource management was the responsibility of lower echelon commanders who were part of command structures that had other concerns in addition to maintenance. With the creation of the FRCs, power is shifted up and maintenance resources are managed at higher levels. It is interesting to note that an Admiral billet was created for the architect of the FRC construct. It also creates three additional O6 command billets that had not previously existed. This will give the designated FRC Commander more control over aviation maintenance than any maintenance officer before as he will control the budgeting of funds and the selection of his commanders.
- Use of Organizational Structure, Rules, Regulations, and Procedures: "Organizational structure is frequently used as a political instrument." It can be argued that the formation of the FRC changes very little about how maintenance is actually performed. It does, however, significantly change the command structure and the ability of certain leaders to influence decisions. Additionally, the instruction that governed Naval Aviation maintenance (OPNAVISNT 4790) which previously fell under the purview of the Chief of Naval Operations (CNO) has now been changed to the COMNAVAIRFORINST 4790, establishing a significant degree of CNAF autonomy.
- Symbolism and the Management of Meaning: This relates to the renaming of titles within the organization. The head of CNAF is now the "CEO" and his head of NAVAIR is now the "COO". Subordinate commands are now industry partners. Senior officials are now considered the Board of Directors. The NAE is shaping, if not coercing, a business mentality within Naval aviation by abandoning traditional military terminologies and hierarchies and adapting their civilian equivalents.
- 2. The use and shifting of power within aviation maintenance is not necessarily a bad thing. In shifting to career maintenance officers instead of pilots and officers from other career fields, greater influence may be given to maintenance operations and top leadership should have greater visibility on maintenance resource

²⁸ Morgan Gareth, Images of Organization, 2006, Page.171.

²⁹ Morgan Gareth, Images of Organization, 2006, Page.176.

issues. As was stated in the background, there are potential improvements that could be seen from this restructure. However, when examining other strategic issues that appear to not be addressed, it leads to questioning the motivation behind such bold moves.

- 3. The NAE states that its only core stakeholders are the Board of Directors.³⁰ The strategy fails to include military and civilian employees, the Navy as a whole, Congress, the public, or troops on the ground needing cover from Naval aircraft. The NAE appears to be an inward looking strategy even though it says its customers are the combatant commanders.
- 4. An important aspect that affects the FRC is that the NAE fails to address, at least in writing, issues relating to technology of work. Controlling costs is a major thrust of the organization. Yet, the financial systems are not addressed or emphasized. The fact is that without sound, reliable financial information there is no way to know what the true cost of work is. This is made very clear in a statement in one of the more recent briefs on the subject, "Cost drivers are decreasing, but costs are increasing." By definition, if cost drivers are going down and costs are going up, they have chosen the wrong cost drivers. Military leaders are good at tracking what they spend. However, they are very poor at knowing what activities actually cost. They are not the same.
- 5. One of the main goals of the FRC concept is to reduce Operations and Maintenance (O&M) expenses and use the savings for recapitalizing aircraft.

³⁰ Naval Aviation Vision 2020, Page 19.

³¹ VADM Zortman and VADM Massenburg, "Naval Aviation Enterprise: A Warfighting Partnership", brief for the Naval Aviation Enterprise – Investment Alignment Symposium, 8 March 2006.

But . . . we cannot afford to buy the number of new aircraft we need

AIRCRAFT

	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09
PB96	44	57	79	103	133								
PB97	40	56	83	114	124								
PB98		51	71	125	144	150	164						
PB99			71	119	143	154	164						
PB00			10	105	140	163	183	187	201				
PB01			שדטר	47	128	130	173	177	187				
PB02				- A/C		88	92	115	119	143	155		
PB03							90	85	105	147	193		
PB04								93	100	133	191	254	302

- The plan: buy 201 aircraft in FY05.
- The reality: we will buy 100 (or fewer) aircraft in FY05.
- The problem: we need to buy an average of 200 new aircraft each year to maintain our average aircraft age.



Figure 12. Decline in Ability to Recapitalize³²

Figure 12 depicts the Department of the Navy's recent history of aircraft procurement plans. Leadership touts millions in savings so far within the NAE and over \$163 million in savings last year from reduced flight hours.³³ The Navy has not bought one extra aircraft in addition to what was previously budgeted. This is for a couple of reasons. First, the budget execution system incentivizes the spending of all money within an appropriation. The AIMDs and depots last year fully spent the money they were appropriated.³⁴ Any savings from process improvements went somewhere else within the organization. Second, while CNAF has tremendous powers within the organization, power of the purse still remains with Congress. Any savings in Operations and Maintenance funds that are not used can be used wherever Congress sees fit. There is no guaranty that recapitalizing the military is where Congress will ultimately place these

³² NAVAIR AIRspeed overview brief, NAVAIR, October 2004.

³³ VADM Zortman and VADM Massenburg, "Naval Aviation Enterprise: A Warfighting Partnership", brief for the Naval Aviation Enterprise – Investment Alignment Symposium, 8 March 2006.

^{34 2007} Navy Budget Submission.

funds. They are under no obligation to buy more planes with savings. The savings are projections of lower future costs that permit the navy to submit a budget request for future year that includes less O&MN and more aircraft. It is not current dollars that can be spent on something else. The NAE has released several statistics which claim improvements in maintenance processes like less works in process, shorter cycle times and reduction in costs. However, there is no reference, metric, or number to show that these improvements actually increased aircraft ready for tasking. This leads to the conclusion that the published positive results of the strategy are not leading to the desired outcomes.

III. LITERATURE REVIEW

A. INTRODUCTION

This chapter focuses on principles and practices deemed to be critical to successfully changing the culture of an organization. This chapter will give examples from different sources of literature on organizational change. These sources present a number of well established component concepts that are required for change to take hold. A summary of each source will be presented as well as a discussion of the potential problems tied to the change effort.

B. ORGANIZATIONAL CHANGE

To remain competitive in a dynamic environment, organizations must generally undergo some degree of significant change. Organizational change and development has become widespread in communications and educational resources about business, organizations, leadership and management. While examples of successful organizational change initiatives are out there, many more companies fail than succeed in their efforts to bring about change within their organizations. There are many different approaches to implementing and guiding organizational change. Some approaches advocate the establishment of a "vision" that can help guide an organization from its present state to its desired end-state. There are as many approaches to organizational change as there are different personalities of the leaders that will ultimately drive the change – or in some cases, fail to drive the change. However, within academia, there exist many established principles that have been tested and validated through empirical studies. These accepted tenets of successful change should be reviewed by any organization contemplating some degree of cultural change. Many of these accepted principles can be applied to the NAE's implementation of FRCs. However, before we propose to evaluate the current state of change within the NAE, we will first review some of the established tenets of change.

1. Kurt Lewin: Force Field Analysis

One of the pioneers in the field of organizational change and social science was Kurt Lewin. Lewin proposed that there are both driving and restraining forces that effect and influence change³⁵. Lewin went on to develop the Force Field Analysis Model depicted in Figure 13, which depicted the interaction of the restraining and driving forces and proposed that the desired end state would result in equilibrium. He identified the driving forces as those which affect a situation and push it in a particular direction. Driving forces tend act as the impetus for change and tend to keep change moving along. He identified restraining forces as those which act to restrain or weaken the driving forces. Equilibrium is said to be achieved when the driving forces equal the restraining forces at which point the organization would attempt to "freeze" their current state.

Lewin contended that to make change happen, an organization must first "unfreeze" from its current state and move toward its desired end-state as expressed by some form of "vision". As depicted in Lewin's model, the driving forces must be stronger than the restraining forces in order for change to take place. This battle between forces will continue until a new equilibrium is reached. The challenge for management is to ensure that their organizational environment does not reach equilibrium and refreeze until their desired change objectives have been reached.

Lewin suggests three steps to move toward equilibrium. First, communicating between the two forces where the equilibrium is now and where it is desired to be. Second, plan for transitioning with both forces participating toward the future vision. Lastly, Lewin suggests refreezing when the desired outcome has been attained and the forces are in equilibrium.

³⁵ Kurt Lewin, Field Theory in Social Science, 1951, Page 47.

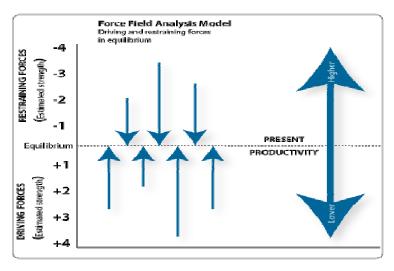


Figure 13. Lewin's Force Field Analysis Model³⁶

2. John Cresie: Changing the Culture of your Organization

Cresie authored an interesting article in Law and Order, a professional law enforcement journal, where he presented a model of change for organizations structurally similar to the military. Cresie established a four step process for making significant progress toward changing the culture or "personality" of an organization. He recognized the magnitude of commitment required by an organization endeavoring to change its culture and further stated that such an undertaking must be embarked upon first by accepting not only that change takes time, but that a long term commitment will be required to complete the process.³⁷ Cresie estimated that a change effort could typically take five to seven years before the culture of an organization is effectively changed.³⁸ Similar to Lewin's approach, Cresie acknowledged that people have a natural resistance to change, happy to remain in their comfort zone. He proposed that in order to begin to change the culture, leaders must establish a new value system for the organization and its employees.³⁹ To accomplish this, Cresie suggested the following four steps:

³⁶ http://www.accel-team.com/techniques/force_field_analysis.html: 2006 Accel-Team

³⁷ John Cresie, Changing the Culture of Your Organization, Law and Order, 53, 12, December 2005, Page 75.

³⁸ John Cresie, Changing the Culture of Your Organization, Law and Order, 53, 12, December 2005, Page 75.

³⁹ John Cresie, Changing the Culture of Your Organization, Law and Order, 53, 12, December 2005, Page 75.

a. Develop a Vision for the Future

The chiefs and the leaders must develop a vision for the future that can be understood and adopted by the employees. Once the vision is accepted and a direction is set the employees must be empowered to achieve the vision. If the employees are empowered it gives a sense of ownership and they will work toward implementing the idea.

b. Develop a Written Mission Statement

A written mission statement must be created. Ideally this should be done by the different departments within the organization working together to help clarify the organization's mission. This tends to be seen as an empowering activity which connects the employees with the change effort.⁴⁰ Once the mission statement is developed the leaders must communicate the mission statement to all.

c. Develop a Set of Core Values

The chief must determine what core values he personally holds as important for his organization's culture. Once they are established the chief must communicate these core values and embody them through personal example. The chief must then encourage his people to adopt those same values.

d. Examine Established Work Processes

The chief and leaders must be part of the communication process and a way to do this is by clarifying performance expectations and setting organizational standards.⁴¹ Performance evaluations communicate expectations and provide a measure of employee commitment and performance. They can also be used to place accountability for employees' individual efforts in regards to change.

Cresie's four steps provide a clear model for engineering successful cultural change within an organizational.

⁴⁰ John Cresie, Changing the Culture of Your Organization, Law and Order, 53, 12, December 2005, Page 77.

⁴¹ John Cresie, Changing the Culture of Your Organization, Law and Order, 53, 12, December 2005, Page 77.

3. John Kotter

Kotter established the Eight Step Model,⁴² considered one of the more well-known and applied change models, and supplemented it with other concepts in support of the model.

a. Kotter's Eight Steps Consist of

Establish a Sense of Urgency. Kotter describes the biggest mistake people make when trying to change organizations is to plunge ahead without establishing a high enough sense of urgency in fellow managers and employees. Kotter believes this error is fatal because transformations always fail to achieve their objectives when complacency levels are high.⁴³ Kotter recommends identifying crises, potential crises and other major opportunities to establish a sense of urgency.

Create the Guiding Coalition. Kotter stresses building coalitions with key members. The coalition needs key members that are committed and can make organizational change occur. To ensure this, Kotter identifies four characteristics essential for creating effective coalitions⁴⁴:

- Position power: Must have enough key players throughout the organization to push through the change.
- Expertise: Must have enough relevant experience to make informed and intelligent decisions.
- Credibility: Must have a coalition staffed by members with good reputations.
- Leadership: Must have sufficient and proven leaders to drive the change process.

Developing a Vision and Strategy. Kotter stated that a vision "refers to a picture of the future with some implicit or explicit commentary on why people should

⁴² John P. Kotter, Leading Change, Excerpt, Chapter 1, 1996, Page 1.

⁴³ John P. Kotter, Leading Change, Excerpt, Chapter 1, 1996, Page 1.

⁴⁴ John P. Kotter, Leading Change, Excerpt, Chapter 1, 1996, Page 1.

strive to create that future."⁴⁵ Kotter identified several characteristics of an effective vision:⁴⁶

- Imaginable: Conveys a picture of what the future will look like.
- Desirable: Appeals to the long-term interests of employees, customers, stockholders, and others who have a stake in the enterprise.
- Feasible: Comprises realistic, attainable goals.
- Focused: Is clear enough to provide guidance in decision making.
- Flexible: Is general enough to allow individual initiative and alternative responses in light of changing conditions.
- Communicable: Is easy to communicate; can be successfully explained within 5 minutes.

Communicating the Vision. Kotter rationalizes that the power of a vision is unleashed only when the majority of the enterprise has a common understanding of its goals and direction.⁴⁷ As such, the enterprise must use every communication vehicle in its power to help communicate the vision. Kotter lists several key elements to help effectively communicate the vision:⁴⁸

- Simplicity: all jargon and techno babble must be eliminated.
- Use metaphor, analogy, and example: a verbal picture is worth a thousand words.
- Multiple forums: big meetings and small, memos and newspaper, formal and informal interaction—all are effective for spreading the word.
- Repetition: ideas sink in deeply only after they have been heard many times.
- Leadership by example: behavior from important people that is inconsistent with the vision overwhelms other forms of communication.
- Explanation of seeming inconsistencies: unaddressed inconsistencies undermine the credibility of all communication.
- Give-and-take: two-way communication is always more powerful than one-way communication.

⁴⁵ John P. Kotter, Leading Change, Excerpt, Chapter 1, 1996, Page 1.

⁴⁶ John P. Kotter, Leading Change, Excerpt, Chapter 1, 1996, Page 1.

⁴⁷ John P. Kotter, Leading Change, Excerpt, Chapter 1, 1996, Page 1.

⁴⁸ John P. Kotter, Leading Change, Excerpt, Chapter 1, 1996, Page 1.

Empower Broad-Based Action. Kotter recommends empowering broad-based action by eliminating any obstacles and systems of structures that undermine the vision. These must be changed or eliminated. Finally, risk taking and non-traditional ideas, activities and actions must be encouraged.⁴⁹

Generating Short-Term Wins. Kotter states that in order to generate and sustain momentum through the change process, visible improvements or "wins" are needed to engage the workforce.⁵⁰ In a lengthy change process, motivation may falter resulting in decreased momentum toward the desired end-state. Therefore, short-term wins must be constructed to show and celebrate gradual improvement. These ceremonies must be visible so as to recognize and reward the individuals and teams that enabled the improvement.⁵¹

Consolidating Gains and Producing More Change. As the wins increase, thus adding to the credibility of the organizational change, these gains must be consolidated to change any remaining systems, structures and policies that do not fit the vision. Efforts need to be increased to hire, promote and continue to develop the employees who are able to implement the vision. Successful momentum can help reinvigorate the change process with additional projects. ⁵²

Anchoring New Approaches in the Culture. Once the desired end-state is achieved, management must clearly articulate the connections between the new behaviors and the resulting organizational success. For example, the new customer and/or productivity oriented behavior, more effective leadership and management resulting in better performance must be identified and communicated to ensure sustained success.⁵³

⁴⁹ John P. Kotter, Leading Change, Excerpt, Chapter 1, 1996, Page 1.

⁵⁰ John P. Kotter, Leading Change, Excerpt, Chapter 1, 1996, Page 2.

⁵¹ John P. Kotter, Leading Change, Excerpt, Chapter 1, 1996, Page 2.

⁵² John P. Kotter, Leading Change, Excerpt, Chapter 1, 1996, Page 2.

⁵³ John P. Kotter, Leading Change, Excerpt, Chapter 1, 1996, Page 2.

b. Kotter on Leadership

Kotter stated that "leadership drives the complex change process found in firms that excel in the new economy".⁵⁴ He further described leadership as the "engine" that drives change. Leadership sets the direction and vision for change and keeps it going in the right direction. Leadership motivates people to make the vision happen even if there are setbacks. Kotter explained that great managers are not enough, because you can't manage change you must lead through change⁵⁵. The leadership engine allows for small wins and uses momentum to drive through change. Kotter sees four traits of good leaders;⁵⁶

- Drive and Energy Level inner drive reduces difficulties and produces change and encourages others with the incentive to lead.
- Intelligence eases the difficulties in change and sets the right direction for a simpler and more acceptable change.
- Mental and Emotional Health develops interpersonal skills for clear and focused visions of change.
- Integrity people won't follow individuals whom they believe lack integrity.

Good leaders use inclusive visions, articulated with passion, that draw on core values. Good Leaders also draw out the best in people and fuse energy in pursuit of positive, useful goals.⁵⁷ All four traits create trust and commitment for the leadership that is needed for successful cultural change for organizational change.

c. Kotter on Transforming Organizations

Kotter believes many organizations fail to change because they make common errors that trained leaders should avoid. ⁵⁸

- Allowing too much complacency
- Failing to create a guiding coalition
- Underselling the power of vision

⁵⁴ John Kotter, Leadership Engine, Executive Excellence, April 2000, Page 7.

⁵⁵ John Kotter, Leadership Engine, Executive Excellence, April 2000, Page 7.

⁵⁶ John Kotter, Leadership Engine, Executive Excellence, April 2000, Page 7.

⁵⁷ John Kotter, Leadership Engine, Executive Excellence, April 2000, Page 7.

⁵⁸ John Kotter, Transforming Organizations, Executive Excellence, September 1996, Page 13.

- Underselling the vision itself
- Permitting obstacles to block the vision
- Failing to create short-term wins
- Declaring victory to soon
- Neglecting to anchor changes firmly in the corporate culture

Failures in the change process can be avoided if efforts are aligned with Kotter's eight step model noted earlier. If leaders are trained to avoid these mistakes it will make transforming organizations smoother. Transforming an organization takes training at all levels.

4. Jeanie Daniel Duck

When change is directed and happens in a work space it requires employees to think, feel, and do things differently. Duck contends that people deal with change in their own unique ways and that attention must be paid to managing emotions that are usually not encountered in the workplace. Duck stated that two important ingredients are required for change; trust and empowerment⁵⁹. Leaders must balance trust and empowerment for transition and managing change. Trust is built through predictability and capability. Empowerment is inviting to employees and gives them a chance to co-create the company's future. Duck stressed eight responsibilities for leadership to effectively implement change.⁶⁰

- Establish context for change and provide guidance
- Stimulate conversation in the organization
- Provide appropriate resources for change
- Coordinate and align projects for a coherent plan
- Ensure congruence of messaging, activities, policies and behaviors
- Provide opportunity for joint creation.

⁵⁹ Duck, Jeanie Daniel, Managing Change: The Art of Balancing, Harvard Business Review, November-December 1993, Page113.

⁶⁰ Jeanie Daniel Duck, Managing Change: The Art of Balancing, Harvard Business Review, November-December 1993, Page 117.

- Anticipate, identify, and address people problems
- Prepare the critical mass

In times of change, the contribution of leadership is checking the dynamics of the most important piece, the employees and their emotions. The balancing of the employee trust and employee empowerment is pivotal and vital for change.

5. Reward Practices

Many organizations apply a variety of rewards to attract, motivate, and retain employees.⁶¹ Rewards and incentives have a major impact on organizational change behavior and provide a reason for employees to go along with change and enforce and reinforce new changes. There are four types of rewards/incentives which have their advantages and disadvantages.⁶²

- Membership/seniority rewards could be pay, benefits and paid time off
- Advantages attract applicants, minimize stress if insecurity, and reduced turnover.
- Disadvantages doesn't motivate performance, poor performers discouraged from leaving, set pay may undermine performance.
- Job Status rewards could be promotion based pay scale, and status based benefits
- Advantages tries to maintain internal equity, minimizes pay discrimination, and motivates employees to compete for promotions.
- Disadvantages encourages political tactics to increase job worth, creates psychological distance between employees and executives.
- Competencies rewards could be pay increase based on competency, or skill-based pay
- Advantages improves workforce flexibility, tends to improve quality, and is consistent with employability

⁶¹ Steven McShane & Mary Ann Von Glindo, Organizational Behavior 3e, McGraw-Hill/Irwin 2005, Page 176.

⁶² Steven McShane & Mary Ann Von Glindo, Organizational Behavior 3e, McGraw-Hill/Irwin 2005, Page 177.

- Disadvantages subjective measurement of competencies, and skill-based plans are expensive.
- Task performance rewards could be commissions, merit pay, gain sharing, profit sharing, or stock options
- Advantages motivates task performance, attracts performance oriented applicants, organizational rewards create ownership culture, and pay variability may avoid layoffs during downturns
- Disadvantages may weaken motivation for job itself, may distance reward giver from receiver, or can viewed as quick fixes, but don't solve real causes

Almost all organizations reward their employees to some extent based on the level or the status of their position in the organization. Most employees are given an evaluation to ensure the employee is being communicated to on what their job description is. This also gives feedback to see they are meeting the expectations of that job. If expectations are met it usually improves chances on getting promotions, incentive, or rewards.

6. Psychological Contracts

The psychological contract is represented by individual beliefs shaped by an organization, regarding terms of exchange between individuals and their organization.⁶³ Naval Aviation maintenance personnel have beliefs that are based on promises made, accepted, and relied on with and by their senior leadership. These individual contracts tie the individual first to levels of leadership in maintenance management and also to the overall organization of Naval aviation maintenance. The psychological contract provides commitment and understandable and predictable actions to both the individual and others toward the end state goals.

A key feature of the psychological contract is that the individual voluntarily consents to make and accept certain promises as he or she understands them.⁶⁴ A drawback may happen when two different views of the organization could be held by two people. While two different viewpoints may appear to share the same organizational goal, in reality their goals may be quite different based on personal perception.

⁶³ Rousseau Denise, Psychological Contracts in Organizations, 1995, Page 9.

⁶⁴ Rousseau Denise, Psychological Contracts in Organizations, 1995, Page 10.

Organizations that have a culture based on history should make sure that they pay attention to employees' expectations. Reciprocity with employees should come from the highest levels of the organization to ensure the individual psychological contract is beneficial to all parties.

C. SUMMARY

This chapter identified and briefly discussed several organizational change models, theories, and concepts that are believed to be essential when trying to implement organizational change. Although the different authors present different views and approaches in describing their beliefs on organizational change, they do share five common features. Communication, commitment, trust/social support, empowerment, and incentives/reward systems are all key factors in successful change management.

IV. RESEARCH METHODOLOGY

A. INTRODUCTION

This MBA project evaluates the NAE's approach to change management. The principal methodology for the study consisted of a review of academic literature combined with the administration of an online survey, site visits and informal interviews. A model for change is presented in paragraph G of this chapter. A discussion of model validation is presented in Chapter V (Analysis).

B. SURVEY PARTICIPANTS

Research for the Project was conducted at six primary locations; Fleet Readiness Center South West (to include the organizations formerly identified as AIMD North Island and NADEP North Island), AIMD Point Mugu, MALS 11, MALS 16, and MALS 39. The chosen sites represent a cross section of organizations spanning all three levels of aviation maintenance - Organizational, Intermediate and Depot. Additionally, these sites allowed for comparison of perceptions among Navy, Marine Corp and civil service personnel. We set no limits on the number of participants, and an online survey was made available to all personnel. From a total population of approximately 1600 people who were invited to complete the voluntary survey, a total of 247 personnel responded.

A complete analysis of respondent demographics is available in Appendix A. As noted below in Figure 14, only two respondents out of 247 declined the survey.

1. I agree to participate in the survey

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	245	99.2	99.2	99.2
	No	2	.8	.8	100.0
	Total	247	100.0	100.0	

Figure 14. Voluntary Participation

The sample was heavily biased by Intermediate level maintenance personnel who represented 92.6 percent of the total respondents. While Navy Intermediate level maintenance personnel were assigned duties classified as "shore", the Marine Corps respondents who composed 55.6 percent of the total respondents were all considered deployable personnel. The survey underrepresented civil service employees, who only composed 1.2 percent of total respondents.

2. Please indicate your branch of service

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Marine Corp	135	54.7	55.6	55.6
	Navy	105	42.5	43.2	98.8
	Civilian	3	1.2	1.2	100.0
	Total	243	98.4	100.0	
Missing	System	4	1.6		
Total		247	100.0		

Figure 15. Respondent Composition

The survey was administered to active duty personnel in the pay grades E1-O10 and also made available to Civil Service respondents in the WG and GS pay scales. The distribution of respondent pay grades is noted in Figure 16.

3. Please indicate your current rank/rate/paygrade

		F	Demonst	Valid Danasat	Cumulative
Valid	E6	Frequency	Percent	Valid Percent	Percent
Valid		71	28.7	29.2	29.2
	E5	50	20.2	20.6	49.8
	E7	38	15.4	15.6	65.4
	E4	21	8.5	8.6	74.1
	E3	17	6.9	7.0	81.1
	O3	13	5.3	5.3	86.4
	E8	9	3.6	3.7	90.1
	E9	4	1.6	1.6	91.8
	O4	4	1.6	1.6	93.4
	CMO3	3	1.2	1.2	94.7
	Other	3	1.2	1.2	95.9
	CWO2	2	.8	.8	96.7
	CWO4	2	.8	.8	97.5
	O1	2	.8	.8	98.4
	E1	1	.4	.4	98.8
	WO1	1	.4	.4	99.2
	O2	1	.4	.4	99.6
	O5	1	.4	.4	100.0
	Total	243	98.4	100.0	
Missing	System	4	1.6		
Total		247	100.0		

Figure 16. Respondent Pay grade Distribution

C. RESEARCH DESIGN AND RATIONALE

Field research was conducted primarily through site visits and the administration of an online survey. The survey was designed to measure key elements determined to be relevant predictors of an organization's potential to foster positive change. Determination of key variables was made through an extensive literature review of both academic journals and case studies of successful organizational change endeavors in the corporate arena. The research study was designed to subjectively and quantitatively evaluate the change climate present throughout units affected by the FRC implementation. Informal interviews were conducted with a diverse cross section of personnel while executing the site visits and an IRB approved survey was developed and made available to all six activities.

The survey methodology involved administering an online survey to both military and civilian personnel encompassing the ranks/pay-grades/positions of E1-O6, and WG4-GS13. An instruction sheet accompanied each survey and the respondents were given the choice to either consent to or decline participation. The surveys were self-administered after acceptance and consent by the respondent. The survey was designed to capture each respondent's perception of how well change was being managed as their respective organizations progressed towards transforming their structures and practices to conform to the new model dictated by the implementation of FRCs.

General biographic data about the respondents to include branch of service, pay grade, rank, type of duty assignment, total years of service, and general work assignment were collected. All respondents remained anonymous and no attempt was made to identify individual respondents.

D. SURVEY DEVELOPMENT

The preponderance of the survey questions were designed for a single response based on a five point Likert scale. The survey concluded with a single open-ended essay question which allowed for respondents to provide any inputs they felt to be germane to the study. A link to the on-line survey was distributed to a single designated

methodology section. Designated representatives then emailed the survey link to their unit's entire population as defined by their local area network distribution lists. Prospective respondents were provided with a brief summary of the survey's purpose and invited to voluntarily participate. Prospective respondents declining to participate in the survey were immediately directed to a survey exit screen. All survey responses were collected online and no hard copy surveys were distributed.

E. FACTOR ANALYSIS AND SCALE CONSTRUCTION

Survey output was generated by Surveymonkey.com, the host site of the survey. Output was in the form of a .csv file that was converted into Microsoft Excel file. From there, the data were imported into SPSS 15.0 for Windows Evaluation Version, Release 15.0.0 (6 September 2006). Initial factor analysis was conducted using principle component analysis with varimax rotation. Items with component loadings below .5 were dropped, and the remaining components were reanalyzed. Resulting factors were tested for scale reliability, and a satisfactory Cronbach's alpha of at least .7 was required for inclusion in subsequent tests. Components that attained satisfactory reliability scores were then converted into scale scores by averaging.

F. VARIABLE CONSTRUCTION

The survey was developed after concluding the literature review. Initially, five major aspects of change were targeted for the research. Those aspects were:

- Award Systems (10 questions)
- Communication (14 questions)
- Commitment (11 questions)
- Empowerment (11 questions)
- Trust (12 questions)

After analyzing the data, we found that the items loaded into prominent factors that differed somewhat from our expectations. As a result, a revised change model was developed. The newly identified factors were:

1. Urgency

The survey asked seven questions related to sense of urgency. After completing a factor analysis in SPSS, reliability testing yielded a Cronbach's alpha of .760. All survey questions are included as Appendix X. Specific questions related to urgency numbered; 29, 32, 46, 48, 49, 50, and 59. *Urgency* was utilized as a predictor variable on the organizational change test model. The intent behind the use of this predictor was to determine if within the surveyed organizations, there existed a sense of pressing importance requiring action on the part of the workforce. For the purpose of this study, questions regarding the implementation of AIRspeed were interpreted as indicators of the organizations' sense of urgency. For example, question number 48 "If I don't apply the tenets of AIRspeed to my daily work I will never get promoted", was intended to discern whether or not the organization had created stakes that would drive their personnel to support the change.

2. Incentives Tied to Change

The survey asked three questions related to *incentives tied to change*. These loaded on one factor and demonstrated adequate reliability as a scale (Cronbach's alpha = .764). Question relating to incentives tied to change numbered 31, 27, and 28. *Incentives tied to change* were deemed to be an input into the change process. Questions related to *incentives tied to change* were designed to determine whether or not incentives, both positive and negative, have been utilized by the studied organizations in an attempt to modify behavior of personnel.

3. Organizational Commitment to Change

The survey asked two questions related to the *organization's commitment to change*. After validating this through factor analysis, reliability testing indicated an

acceptable Cronbach's alpha of .718 for the scale. Specific questions related to *organizational commitment to change* numbered 57 and 58. *Organizational commitment to change* was utilized as dependent variable in the organizational change test model. Questions related to an organization's commitment to change were designed to determine the extent to which the studied organizations have modified practices or committed resources in support of the change process.

4. Attitude

The survey asked eight questions related to employee *attitude*. A factor analysis was conducted in SPSS encompassing questions 41, 43, 44, 65, 66, 68, 75, and 79. All of these items loaded on one factor. A reliability analysis was then conducted on the same questions yielding a Cronbach's alpha of .734. *Attitude* was utilized as a dependent variable in the organizational change test model. Questions related to *attitude* were designed to interpret general indicators of employee satisfaction or dissatisfaction with the work environment as the organizations go through the change process. It is important to note that this survey's questions regarding *attitude* were phrased negatively; for example, question number 79 stated "my command shows very little concern for my well-being". Responses were based on a 5 point Likert scale where Strongly Agree equated to a score of 1, Agree equated to 2, Don't Know equated to 3, Disagree equated to 4 and Strongly Disagree equated to 5. A listing of all survey questions and responses is available in Appendix A.

5. Information

The survey asked five questions related to access to and receipt of *information* regarding the change effort. Questions regarding information focused on whether or not personnel had received *information* that explained the impact of the FRC integration on their jobs. Additional questions in this category asked if they had received training or had access to training that would prepare them professionally for their new roles within the FRCs. After completing a factor analysis in SPSS, it was determined that the category of *information* contained one valid component which was identified by

questions 10, 11, 12, 13, and 39. Reliability analysis yielded a Cronbach's alpha of .825. The component *information* was utilized as a dependent variable in the organizational change test model.

6. Communication

The survey asked two questions related to *communication*. The intent of the questions was to discover the extent to which workers had been exposed to informal communications regarding the change. Specifically, the questions were designed to determine if the respondents had been exposed to rumors or other informal information about the potential benefits and risks of changing from three levels of maintenance to two, and the overall concept of implementing FRCs. After completing a factor analysis in SPSS, it was determined that the category of *communication* contained one valid component which was identified by questions 16 and 18. Reliability analysis yielded a Cronbach's alpha of .850. *Communication* was used as predictor variable in the organizational change test model.

7. Leadership Support of Airspeed

The survey asked seven questions related to *leadership support of Airspeed*. After completing a factor analysis in SPSS, further reliability testing inducted a Cronbach's alpha of .871 for this factor. Questions related to *leadership support of AIRspeed* numbered 37, 51, 52, 53, 54, 55, and 56. *Leadership support of AIRspeed* was used as a predictor variable in the organizational change test model. Questions related to this variable were designed to determine the degree to which personnel perceived that their leaders supported organizational change in a meaningful way.

8. Perception

The concept of *perception* was represented by question number 30 which stated, "I believe AIRspeed is having a". The question was posed on a four point Likert scale where the response "a large positive impact on readiness" represented a value of one, "a moderate positive impact on readiness" represented a value of two, "no impact on

readiness" represented a value of three, and "a negative impact on readiness" represented a value of four. *Perception* was utilized as a dependent variable in the organizational change test model.

9. Leadership Visibility

The survey asked three questions related to leadership visibility. A factor analysis was conducted in SPSS encompassing questions 17, 19 and 20. These items loaded on one factor. A reliability analysis was then conducted on the same questions yielding a Cronbach's alpha of .682. While the alpha was considered just below the threshold standard (.7), its potential impact should not be ignored. Leadership visibility was used neither as a predictor variable nor a dependent variable in the organizational change test model. It is being presented here simply to note that further research into its relationship in an organizational change model may be merited.

G. INITIAL MODEL CONSTRUCTION

The academic literature review was used to construct a theoretical model of key elements critical to the success of a change management effort. Discussion of the conclusions reached in validating this model will be presented in chapter V (Analysis). The organizational change test model is presented below in Figure 17.

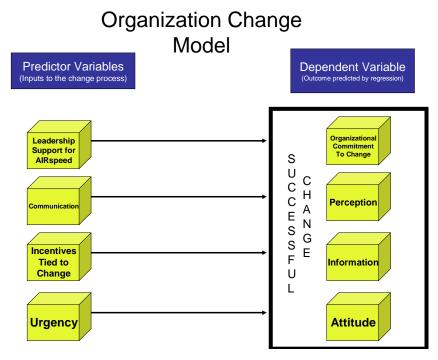


Figure 17. Organizational Change Model

H. INFORMAL INTERVIEWS AND OBSERVATIONS

General observations are presented in Chapter VI. Informal interviews were conducted with personnel in the pay grades of E3 through O5 while executing the site visits. The venue consisted of asking general questions related to the change, while the individuals were performing tasks in their assigned workspace. Additionally, two civil service workers in the WG pay system were interviewed.

THIS PAGE INTENTIONALLY LEFT BLANK

V. ANALYSIS

A. OVERVIEW

The literature review conducted in Chapter III led to the design of a survey that initially targeted five key components of change, specifically; award systems, commitment, communication, empowerment, and trust.

The intention of the research was to identify which factors were indeed more critical to the change effort and to then use those validated findings to create a real world model that, at a minimum, applied to the unique cultures being integrated through the implementation of FRCs. While the five key factors which the first model was structured around did prove relevant to the change effort, the validated model presented in this chapter serves to better explain the relationships among factors within the context of FRCs. What follows is a discussion of the findings.

B. TECHNICAL ANALYSIS

1. Correlations

The correlation matrix depicted in Figure 18, shows relationships among tested variables. Relationships were considered significant at p < .05.

Correlation Table

			1	2	3	4	5	6	7	8	9	10	11	12	13
1	Attitude	Pearson Sig (2 tailed) N	1 213												
2	Information	Pearson Sig (2 tailed) N	-0.01 0.89 213	1 235											
3	Knowledge of Mission Statement (Question #9)	Pearson Sig (2 tailed) N	-0.11 0.12 213	0.37 0.00 235	235										
4	Perception (Question #30)	Pearson Sig (2 tailed) N	-0.15 0.03 213	0.31 0.00 226	0.12 0.08 226	1 226									
5	Organizational Commitment to Change	Pearson Sig (2 tailed) N	0.22 0.00 213	0.40 0.00 213	0.11 0.12 213	0.26 0.00 213	1 213								
6	Urgency	Pearson Sig (2 tailed) N	0.50 0.00 213	0.25 0.00 226	0.69 0.03 226	-0.24 0.00 226	0.37 0.00 213	1 226							
7	Incentives Tied to Change	Pearson Sig (2 tailed) N	0.12 0.07 213	0.52 0.00 227	0.12 0.08 227	0.26 0.00 226	0.34 0.00 213	0.37 0.00 226	1 227						
8	Communication	Pearson Sig (2 tailed) N	0.02 0.74 213	0.54 0.00 227	0.15 0.03 227	0.18 0.01 226	0.34 0.00 213	0.22 0.00 226	0.44 0.00 227	227					
9	Leadership Support of AIRspeed	Pearson Sig (2 tailed) N	0.20 0.00 213	0.52 0.00 213	0.16 0.02 213	0.37 0.00 213	0.56 0.00 213	0.26 0.00 213	0.46 0.00 213	0.38 0.00 213	1 213				
10	Navy	Pearson Sig (2 tailed) N	08 0.23 213-	17 0.01 235	0.18 0.01 235	16 0.02 226	-0.21 0.00 213	-0.14 0.04 226	- 0.25 0.00 227	-0.16 0.02 227	-0.22 0.00 213	243			
11	Marine Corps	Pearson Sig (2 tailed) N	0.10 0.14 213	0.18 0.01 235	-0.17 0.01 235	0.15 0.03 226	0.23 0.00 213	0.17 0.01 226	0.27 0.00 227	0.17 0.01 227	0.21 0.00 213	-0.98 0.00 243	243		
12	Civilian	Pearson Sig (2 tailed) N	0.15 0.03 213	-0.06 0.33 235	-0.27 0.00 235	-0.12 0.07 226	-0.12 0.07 213	0.09 0.17 226	0.02 0.78 227	- 0.14 0.03 227	-0.12 0.08 213	-0.03 0.60 243	0.03 0.60 243	1 247	
13	20+ Years of service	Pearson Sig (2 tailed) N	0.02 0.81 213	-0.09 0.15 235	-0.11 0.09 235	-0.07 0.31 226	-0.21 0.00 213	-0.08 0.24 226	-0.15 0.02 227	-0.18 0.01 227	-0.13 0.05 213	0.04 0.51 243	-0.11 0.10 243	0.45 0.00 247	1 247

Correlations considered significant at p < .05 appear in bold italic print.

Figure 18. Sample Sizes and Correlations Among Variables

2. Mean and Standard Deviation Information

	Mean	Standard Deviation	\mathbf{N}
Attitude	3.10	0.66	213
Information	2.37	0.85	235
Organization's Commitment to			
Change	3.24	1.23	213
Urgency	3.09	0.76	226
Incentives Tied to			
Change	2.94	1.07	227
Communication	2.69	1.03	227
Leadership Support			
of AIRspeed	2.51	0.87	213
Navy	0.43	0.50	243
Marine Corps	0.56	0.50	243
Civilian	6.82	3.56	247
20+ Years of service	0.13	0.34	247
Know Mission Statement			
(Question # 9)	2.18	1.08	235
Perception			
(Question # 30)	2.27	0.91	226

Table 1. Descriptive Statistics

3. Discussion of Organizational Commitment Regression Test Model

The control model that was used in each regression analysis presented in this section was constructed with five components. First, the variable *pay grade* was chosen to see if responses would vary significantly between pay grades. Because there were a few people for whom pay grade information was missing, the mean score of all responses

for pay grade was used so that the lack of responses would not remove their data from the regression models. Next, know mission statement (Question #9) was chosen to determine if there was a significant impact on the model between people that knew their unit's mission statement and those that did not. The indicator variables Marine Corps and Civilian were included to determine if there were significant differences in perceptions between branches of service. The last control variable, shown as 20+ Years of Service, represented personnel with twenty or more years of service in an effort to determine if seniority would affect the outcome.

Predictor variables in the organizational change test model included *leadership* support of AIRspeed, communication, incentives tied to change, and urgency. These variables were chosen as predictors due to their perceived likelihood of having an impact on the organizational change test model based on results of academic literature review. Scale scores were created for all predictor variables. See Methodology section F for details on predictor variable construction. Dependent variables included *organizational* commitment to change, perception (as indicated by question #30), information, and attitude.

The control model explained 10.4 percent of the variance in perceived organizational commitment to the change with less than p < .001 chance of error, while the addition of the predictor variables increased the explanatory power of the model which now accounted for 40.2 percent of the variance at the same level of significance. It was noted that in the control group, the Marine Corps' unstandardized (B) coefficient of .587 represents a more negative perception of the desired outcome (change) than is held by members of the Navy. The other notable event in the control model involved the group with 20+ Years of Service. This group's B score of -.533 indicates that employees with 20 or more years of service perceive an alignment of the organization's commitment to the goal of change. It should be noted that this score was attained at a lower significance level of .058. Interestingly, this is also the group that would be most responsible for supporting the organization's change goals.

Organizational Commitment to Change Regression Test Model

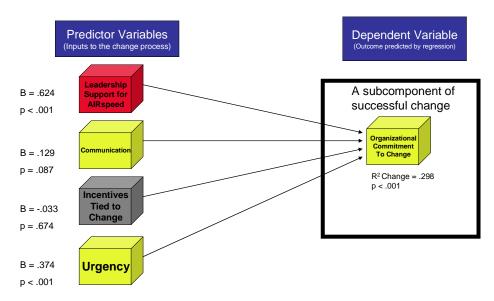


Figure 19. Organizational Commitment to Change Regression Test Model⁶⁵

The predictor *incentives tied to change* was not significant in analyzing the respondents' perception of their organization's commitment to change. However, three other predictors did show significant relationships. First, *leadership support of AIRspeed* indicated the highest beta in the group, along with B = .624, p < .001). This indicates that the level of perceived *leadership support of AIRspeed* was directly linked to the perceived level of *organizational commitment to change*. The next significant predictor was *urgency* (B = .374, p < .001), followed by *communication* (B = .129, D = .087). No issues were noted with collinearity.

⁶⁵ Numbers to the left of the predictor variables indicate unstandardized regression coefficients and p values.

Variable	Control Model ^a	Complete Model ^a
Pay grade	013	017
Know Mission Statement	$.138^{\dagger}$.009
(Question #9)		
Marine Corps	.587***	.189
20+ Years in Service	533 [†]	268
Civilian	109	460
Leadership Support of		.624***
AIRspeed		
Communication		.129 [†]
Incentives Tied to Change		033
Urgency		.374***
R ² Model	.104***	.402***
F Statistic for R ²	4.813	15.152
(Degrees of Freedom)	(5,207)	(9,203)
R ² Change		.298***
F Statistic for R ² Change		25.256
(Degrees of Freedom		(4,203)
Change)		

Regression models predicting perceived organizational commitment to change effort. $^{\dagger}p < .1$, $^{*}p < .0$, $^{**}p < .0$, $^{**}p < .0$, $^{**}p < .0$. Unstandardized regression coefficients are reported. Likert scale used in question as follows: 1=strongly agree, 2=Agree, 3=Don't Know, 4=Disagree, 5=Strongly Disagree.

Table 2. Organizational Commitment to Change Regression Model

4. Discussion of Perception Regression Test Model

The Perception regression looked at the employees' assessments of AIRspeed's impact, both positive and negative, on the unit's mission. The control model in this regression explained 6.8 percent of the variance in the dependent variable with less than p < .05 chance of error, while rerunning the model with the predictor variables inserted explained a more powerful 33.1 percent of the variance at the p < .001 level of significance. In the control group, the *Marine Corps* (B = .309, p = .015) indicated that AIRspeed was having a less positive impact on their unit's mission. It's interesting to note here that the correlation table in Table 3 indicates that the Marine Corps shows a high degree of correlation (B = -.17, p < .01) with knowledge of the mission.

Perception Regression Test Model

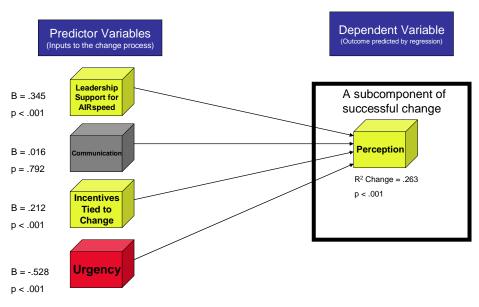


Figure 20. Perception Regression Test Model⁶⁶

Additionally, in the control model, knowledge of the mission was shown to have a positive relationship with the perception that AIRspeed was having a positive impact on a member's unit (B = .132, p = .030). The implication is that the Marine Corps knows the mission, but is not convinced that AIRspeed is amenable to accomplishing that mission. Further inquiry is suggested.

⁶⁶ Number to the left of the predictor variables indicate unstandardized regression coefficients and p values.

Variable	Control Model ^b	Complete Model ^b
Pay grade	030	015
Know Mission Statement	.132*	.075
(Question #9)		
Marine Corps	.309*	.157
20+ years in service	036	.075
Civilian	.632	026
Leadership Support of		.345***
AIRspeed		
Communication		.016
Incentives Tied to Change		.212***
Urgency		528***
R ² Model	.068**	.331***
F Statistic for R ²	3.007	11.135
(Degrees of Freedom)	(5,207)	(9,203)
R ² Change		.253***
F Statistic for R ² Change		19.922
(Degrees of Freedom		(4,203)
Change)		

Regression models predicting impact of perception on change effort. † p < .1, * p < .05, ** p < .01, *** p < .001 Unstandardized regression coefficients are reported.

Table 3. Perception Regression Model

The predictors *leadership support of AIRspeed* (B = .345, p = .001), *incentives tied to change* (B = .212, p = .001), and *urgency* (B = -.528, p = .001) all significantly impacted the model. Overall, the less favorable assessment by Marines was mediated by *leadership support of AIRspeed, incentives* and *urgency*. A conceptual model of their interactions is presented in Figure 20.

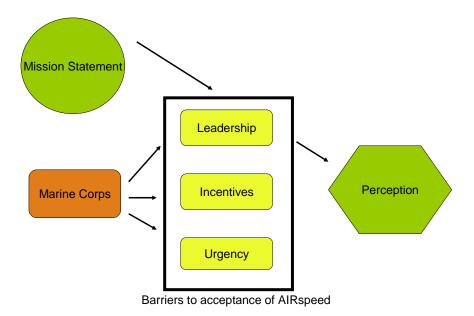


Figure 21. Interrelationship of predictor variables mediating outcome of perception regression model

Figure eight illustrates the following conclusions gleaned from the Perception Regression:

- Knowing the mission statement has a positive effect on the perception of AIRspeed's effectiveness. The Marine Corps has a negative correlation with the perception of AIRspeed's effectiveness.
- The Marine Corps perceives lower values for *leadership support of AIRspeed*, *incentives*, and *urgency*. This is having a negative impact on their perception of AIRspeed's effectiveness.
- Incentives are not well aligned with support of AIRspeed by Marine Corps personnel.
- *Urgency* is highly correlated with the perception that AIRspeed is having a positive impact on readiness.

Further discussion and recommendations will be addressed in Chapter VI Conclusions.

5. Discussion of Information Regression

The Information Regression Model looked at the degree to which respondents had received information related to the impact that FRC integration may have on their jobs

and whether or not they had received training or had access to training that would prepare them professionally for their new roles.

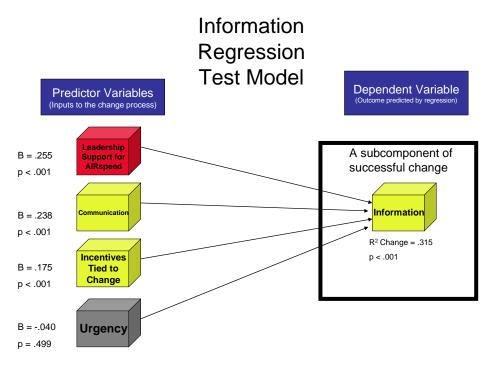


Figure 22. Information Regression Test Model⁶⁷

The control model explained 20.7 percent of the variance in the dependent variable with p < .001 chance of error, while the predictor model explained 52.2 percent of the variance at the p < .001 level of significance. Of all four regressions presented, this model showed the strongest relationships between the predictor variables and the dependent variable. Of note in the control group, *know mission statement* (B = .332, p < .001) was a strong indicator of how effectively information was absorbed. The *Marine Corps* indicator variable (B = .424, p < .001) indicated that information was highly correlated with the Marine Corps, such that Marines reported less information that supports the change. The non-significant coefficient for the variable *Marine Corps* in the Information Model indicates that this effect is mediated by the *Marine Corps*' perceptions of leadership support, inclusion in informal communications, and incentives.

⁶⁷ Number to the left of the predictor variables indicate unstandardized regression coefficients and p values.

Variable	Control Model ^c	Complete Model ^c
Pay grade	.017	.018
Know Mission Statement	.332***	.228***
(Question #9)		
Marine Corps	.424***	.117
20+ Years in Service	131	.091
Civilian	.270	.029
Leadership Support of		.255***
AIRSpeed		
Communication		.238***
Incentives Tied to Change		.175***
Urgency		040
R ² Model	.207***	.522***
F Statistic for R ²	10.784	24.630
(Degrees of Freedom)	(5,207)	(9,203)
R ² Change		.315***
F Statistic for R ² Change		33.478
(Degrees of Freedom		(4,203)
Change)		

Regression models predicting perceived impact of information on change effort. p < .1, * p < .05, ** p < .01, *** p < .001 Unstandardized regression coefficients are reported.

Table 4. Information Regression Model

The four predictor variables in the Information Regression Test Model had a significant impact on the dependent variable - *information*. The following predictors were significant; *leadership support of change* (B = .255, p < .001), *incentives tied to change* (B = .175, p < .001), *communication* (B = .238, p < .001), and *know mission statement* (Question #9) (B = .228, p < .041).

6. Discussion of Attitude Regression Model

The Attitude Regression Test Model looked at the degree to which predictor variables impacted attitude, a critical component in organizational change.

The control model explained only four percent of the variance in the dependent variable (p = .127), while the Attitude Regression Test Model explained 29.4 percent of the variance (p < .001), after the insertion of the predictor variables. As illustrated in Table 5, communication and incentives tied to change had no significance in the model.

However, *leadership support of AIRspeed* and *urgency* both maintained significance in the model as they have in all previous regressions presented. In this case, both *leadership support of AIRspeed* and *urgency* were positively correlated with *attitude*, indicating that an investment in either yields improved attitudes.

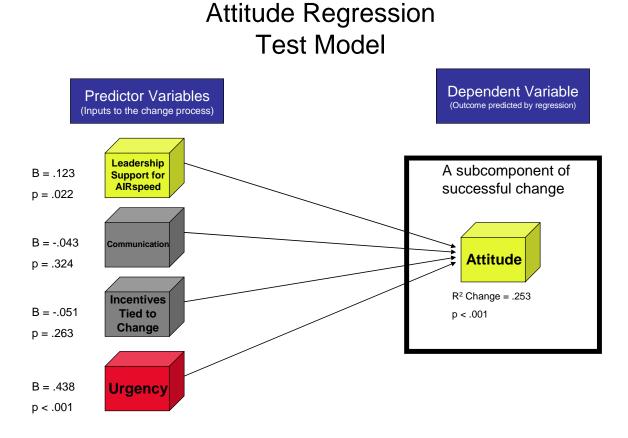


Figure 23. Attitude Regression Test Model⁶⁸

 $^{^{68}}$ Number to the left of the predictor variables indicate unstandardized regression coefficients and p values.

Variable	Control Model ^d	Complete Model ^d
Pay grade	.028 [†]	.013
Know Mission Statement	040	073 [†]
(Question #9)		
Marine Corps	.091	027
20+ Years in Service	075	.012
Civilian	323	197
Leadership Support of		.123*
AIRspeed		
Communication		043
Incentives Tied to Change		051
Urgency		.438***
R ² Model	.040	.294***
F Statistic for R ²	1.738	9.382
(Degrees of Freedom)	(5,207)	(9,203)
R ² Change		.253***
F Statistic for R ² Change		18.214
(Degrees of Freedom		(4,203)
Change)		

Regression models predicting perceived impact of attitude on change effort. p < .1, * p < .05, ** p < .01, *** p < .01 Unstandardized regression coefficients are reported.

Table 5. Attitude Regression Model

Only three predictor variables showed any degree of significance. First, urgency (B = .438, p < .001) had an extremely high Beta of .498. Next, $leadership \ support \ of$ AIRspeed (B = .123, p < .05), and $know \ mission \ statement$ (Question #9) (B =

-.073, p < .1) both influenced overall attitude toward the change.

THIS PAGE INTENTIONALLY LEFT BLANK

VI. CONCLUSIONS

This chapter will discuss the implication of the analysis on the current FRC integration effort and will offer suggestions on how to improve areas that were identified through regression analysis.

REGRESSION MODEL IMPLICATION TO FLEET READINESS CENTERS

Of the four models presented, the Information Regression Test Model proved to have the highest explanatory power. While it shared the common predictor variables leadership support of AIRspeed, communication, incentives tied to change, and urgency, with the other models tested, it was discovered that commonality of impact existed between two of the variables. For example, leadership support of AIRspeed had the greatest amount of impact on both the Organizational Commitment to Change Regression Test Model and the Information Regression Test Model.

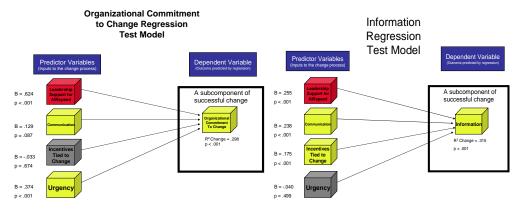


Figure 24. Comparison of Organizational Commitment to Change Test Model and Information Regression Test Model⁶⁹

Likewise, the predictor variable *urgency* was most significant in the Perception Regression Test Model and the Attitude Regression Test Model.

⁶⁹ Number to the left of the predictor variables indicate unstandardized regression coefficients and p values.

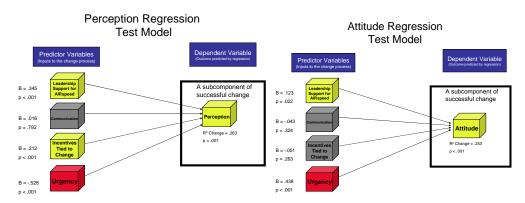


Figure 25. Comparison of Perception Regression Test Model and Attitude Regression Test Model⁷⁰

In an environment with limited resources, it is critical for management to identify areas for investment that will maximize return. This holds true whether trying to identify new technologies in a manufacturing environment or trying to change the culture in an organization. The relationships in the models presented help to identify where the NAE could best improve upon its change management efforts and if necessary, where to look at further investment in the process. Discussion of suggested improvements will be based both on model outcomes and subjective observations during site visits.

 $^{^{70}}$ Number to the left of the predictor variables indicate unstandardized regression coefficients and p values.

VII. FINAL COMMENTS

The level of access granted to the researchers was remarkable and indicated that this study was of interest to the participating commands for a number of reasons. First, many were in the midst of reorganization under the new FRC concept and were struggling to understand their new roles and responsibilities within that structure. Many felt that anything gleaned from this study was well worth the investment of their time to support the research.

A. OBSERVATIONS

1. Various members of the units visited were asked if they knew what their new organizational structure was going to look like. Few could respond with any measure of certainty. Through research of the FRC design, we learned that preliminary organizational charts were created, but it appeared that they have not been very widely disseminated.

This is a concern because the lack of dissemination represents an impediment to the flow of information. As demonstrated in the regression models, the predictor variables *leadership support of AIRspeed, communication*, and *incentives tied to change*, all were positively correlated with *information*. Of particular note is the response by the Marine Corps in the control model (B = .424, p < .001). The response indicates that the Marine Corps, for some reason, feels that they do not have access to or have not been included in either the planning or dissemination of information regarding the FRC implementation. Subjectively, the tenor of the commands visited would support the conclusions. Continued analysis of the information flow to the Marine Corps is suggested.

2. Questions remained unanswered about funding protocols. Intermediate level maintenance units are funded through Mission Funding while the Depots utilize the Navy Working Capital Fund. Fusing these two organizations within the FRC presents

fiscal management challenges that, if already worked out, their solutions are not widely understood by those responsible for implementation.

- 3. Overall, many voiced some degree of frustration over the lack of guidance in the implementation. They all seemed very impressed with and willing to apply the tenets of AIRspeed to their work. For the purpose of this study, the application of the AIRspeed program was considered as a surrogate indicator for an organization's commitment to change. Invariably, some units viewed the program as more critical to their success than others.
- a. The survey data brought out a distinction between the Navy's perception of AIRspeed and the Marine Corps', which could account for their different reactions. Two distinct impediments were identified to the Marines' adoption of AIRspeed and ultimately to their integration into the FRCs. First, the Marines showed a high degree of correlation with understanding their mission statements, yet they felt that AIRspeed offered them little advantage over their present condition. Second, they perceived a lack of leadership support of AIRspeed. With *leadership support of AIRspeed* being upheld as the most significant predictor variable in the Organization Commitment to Change Model, it can be reasoned that the Marine Corps as an organization has not yet fully embraced the concept of either AIRspeed or the underway integration.
- b. It is recommended that further research be conducted to discern the reason behind the disconnection between the Navy and the Marine Corp on the subject of integration. From a subjective standpoint, the impression left on the researchers by the MALS was that the Marines were not included in the FRC implementation planning process, nor were they consulted over the potential impact that the integration would have on their organizations as they significantly differed from those of the Navy.
- 4. The existence of parallel chains of command within work centers may be a cause for conflict. Currently, military personnel report to their military supervisor, while civilian personnel report to their civilian supervisor, all within the same work center

space. The focus of the military supervisor is on production, while the Depot level artisan is there to perform interdiction of material that would have been destined to be classified as Beyond Capable Maintenance (BCM) by the military worker. A conflict may arise over the use of shared resources. The possibility even exists for the two parallel chains to compete with one another. Additionally, while speaking with both military supervisors and their civilian counterparts, it became obvious that the civilian component at the Depots had experienced a lesser degree of exposure to the entire implementation concept as well as the rationale behind the development of FRCs. In fact, it was brought to the researcher's attention that without this understanding by the civilian element, many of the hourly work force would likely view the integration as a threat to their job security.

- a. While the existence of parallel reporting structures does not necessarily mean there will be problems, the potential exists. For instance, the Navy was highly correlated with perceiving *leadership support of AIRspeed* and the overall change effort, whereas the civilian workers knew so little about the program that they couldn't really comment on it.
- b. It is recommended that this study be expanded to focus on whether or not this is a widespread problem throughout the Depots or if it was geographically isolated to the units studied. For the surveyed units, it is recommended that they address the flow of information within their organizations with a focus on more effectively getting information down to the worker on the floor. One of the key concepts of having Depot level artisans work side-by-side with military personnel is to transfer their knowledge to the military workforce. This is not likely to happen as long as the artisans do not understand why they are there, or worse yet, perceive their jobs to be in jeopardy due to the integration of their work centers.
- 5. The initiative to integrate units at the FRC level seemed to have been launched without a wide degree of Fleet participation or stakeholder involvement. The methods and goals of integration did not appear to be widely understood. This

observation was magnified by the Marine Corps responses. The move to integrate was begun before the method, goals and end state were truly understood.

6. A significant degree of enthusiasm for AIRspeed was noted at the E6 and below level. The integration, and one if it's key enablers – AIRspeed, have presented what this group perceives to be an opportunity. Understanding and implementing AIRspeed has become not only a mandate, but an art if mastered. Informal interviews indicated that many E5-E6 personnel viewed understanding AIRspeed and gaining qualification as a Green-belt or Black-belt as advantageous to their careers, with some actually perceiving it as a highly sought after position. In contrast, subjective discussion at the unit level indicated there were some Chief Petty Officers that had a more pessimistic take on the program. Some even indicating that AIRspeed may by the next passing "trend" in Naval aviation, and that they seemed less than commitment to the process. Again, it must be stressed that this was gleaned through informal conversation with unit personnel and not supported empirically by the survey study. Additionally, a number of E5 and E6 personnel seemed empowered to fill the void left by more senior "doubters" of the process. This made sense as the survey data also indicated a perceived connection between understanding AIRSpeed and promotability.

B. RECOMMENDATIONS

We feel that a number of measures could be used to help ease the integration of FRCs into the Fleet. While it seems the NAE has launched somewhat of a media campaign of late, there is no substitute for early dissemination of information that would have allowed people time to adjust to the idea of change. It is felt that while the information is getting out, it is not reaching its target audience right now. The architects of the plan should also provide a venue for people to ask questions in order to help the workforce understand what the implication of the change will mean to them. In the case of the FRCs, the Navy and Marine Corp could consider publishing a FRC implementation guide book that would be available to all levels of workers within the FRC structure. This may help to address the communication problems that were evident both with the civilian employees at the Depots and the Marine Corps units.

Next, NAVAIR could consider further implementation using a series approach vice the parallel approach that it is currently pursuing. All six FRC regions are undergoing change simultaneously, although they are in different stages. The lead region appears to be FRC Southwest. However, FRC Southwest has not progressed far enough through its transition to act as a guide for the rest of the FRC regions to follow. It is recommended that their implementation be allowed to mature and then extract best practices from their experience and disseminated them throughout the Fleet.

Overall, junior personnel seemed much more attuned to the implementation of AIRspeed than the FRC integration. The researchers felt that below the Commissioned Officer level, the concept of FRC integration was not widely understood. It is recommended that the NAE reassess who their stakeholders are in this change process and pursue a more participative approach to planning the change.

Pursued together, these recommendations could serve to address a number of the dependent variables that were proven in the regressions to have an impact on the overall change process. It is believed that this topic requires more study that merits sponsorship at the NAVAIR or COMNAVAIRFOR level.

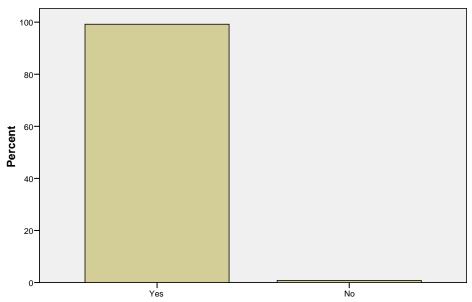
THIS PAGE INTENTIONALLY LEFT BLANK

APPENDIX A. SURVEY RESPONSES

1. I agree to participate in the survey

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	245	99.2	99.2	99.2
	No	2	.8	.8	100.0
	Total	247	100.0	100.0	

1. I agree to participate in the survey

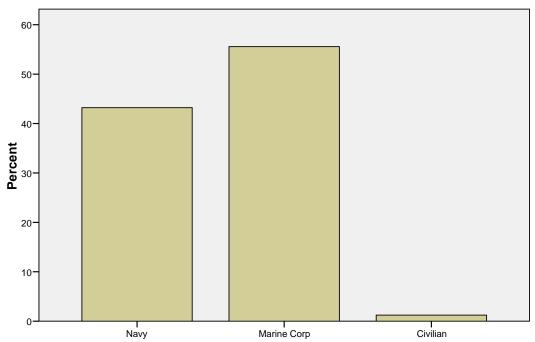


1. I agree to participate in the survey

2. Please indicate your branch of service

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Navy	105	42.5	43.2	43.2
	Marine Corp	135	54.7	55.6	98.8
	Civilian	3	1.2	1.2	100.0
	Total	243	98.4	100.0	
Missing	System	4	1.6		
Total		247	100.0		

2. Please indicate your branch of service

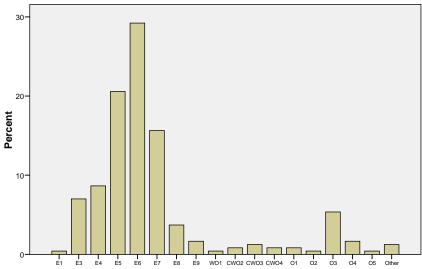


2. Please indicate your branch of service

3. Please indicate your current rank/rate/paygrade

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	E1	1	.4	.4	.4
	E3	17	6.9	7.0	7.4
	E4	21	8.5	8.6	16.0
	E5	50	20.2	20.6	36.6
	E6	71	28.7	29.2	65.8
	E7	38	15.4	15.6	81.5
	E8	9	3.6	3.7	85.2
	E9	4	1.6	1.6	86.8
	WO1	1	.4	.4	87.2
	CWO2	2	.8	.8	88.1
	CWO3	3	1.2	1.2	89.3
	CWO4	2	.8	.8	90.1
	O1	2	.8	.8	90.9
	O2	1	.4	.4	91.4
	O3	13	5.3	5.3	96.7
	O4	4	1.6	1.6	98.4
	O5	1	.4	.4	98.8
	Other	3	1.2	1.2	100.0
	Total	243	98.4	100.0	
Missing	System	4	1.6		
Total		247	100.0		

3. Please indicate your current rank/rate/paygrade

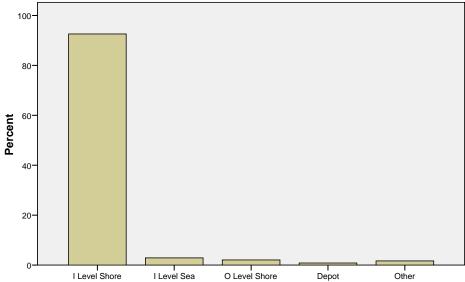


3. Please indicate your current rank/rate/paygrade

4. Please select the menu item that best reflects your current type of duty assignment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	I Level Shore	225	91.1	92.6	92.6
	I Level Sea	7	2.8	2.9	95.5
	O Level Shore	5	2.0	2.1	97.5
	Depot	2	.8	.8	98.4
	Other	4	1.6	1.6	100.0
	Total	243	98.4	100.0	
Missing	System	4	1.6		
Total		247	100.0		

4. Please select the menu item that best reflects your current type of duty assignment

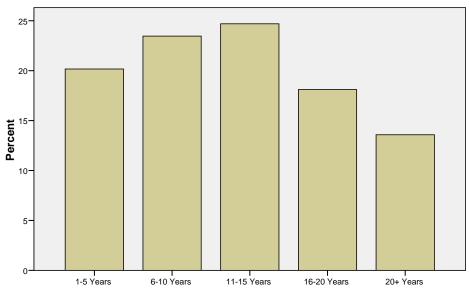


4. Please select the menu item that best reflects your current type of duty assignment

5. Please indicate the response that best reflects your total years in service (Military or Civil)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-5 Years	49	19.8	20.2	20.2
	6-10 Years	57	23.1	23.5	43.6
	11-15 Years	60	24.3	24.7	68.3
	16-20 Years	44	17.8	18.1	86.4
	20+ Years	33	13.4	13.6	100.0
	Total	243	98.4	100.0	
Missing	System	4	1.6		
Total		247	100.0		

5. Please indicate the response that best reflects your total years in service (Military or Civil)

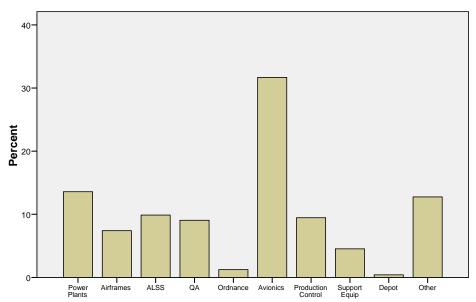


5. Please indicate the response that best reflects your total years in service (Military or Civil)

6. Select the menu item that best reflects your current work assignement

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Power Plants	33	13.4	13.6	13.6
	Airframes	18	7.3	7.4	21.0
	ALSS	24	9.7	9.9	30.9
	QA	22	8.9	9.1	39.9
	Ordnance	3	1.2	1.2	41.2
	Avionics	77	31.2	31.7	72.8
	Production Control	23	9.3	9.5	82.3
	Support Equip	11	4.5	4.5	86.8
	Depot	1	.4	.4	87.2
	Other	31	12.6	12.8	100.0
	Total	243	98.4	100.0	
Missing	System	4	1.6		
Total		247	100.0		

6. Select the menu item that best reflects your current work assignement

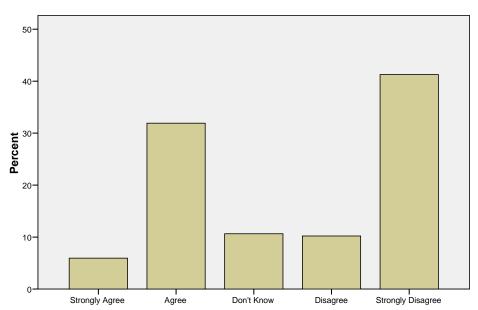


6. Select the menu item that best reflects your current work assignement

7. You have read and understand Vision 2020

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	14	5.7	6.0	6.0
	Agree	75	30.4	31.9	37.9
	Don't Know	25	10.1	10.6	48.5
	Disagree	24	9.7	10.2	58.7
	Strongly Disagree	97	39.3	41.3	100.0
	Total	235	95.1	100.0	
Missing	System	12	4.9		
Total		247	100.0		

7. You have read and understand Vision 2020

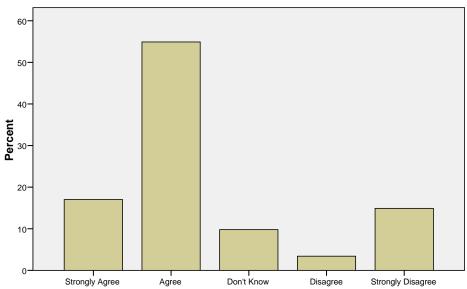


7. You have read and understand Vision 2020

8. You are familiar with the current initiative to restructure AIMDs/MALS and Depots under the new FRC concept

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	40	16.2	17.0	17.0
	Agree	129	52.2	54.9	71.9
	Don't Know	23	9.3	9.8	81.7
	Disagree	8	3.2	3.4	85.1
	Strongly Disagree	35	14.2	14.9	100.0
	Total	235	95.1	100.0	
Missing	System	12	4.9		
Total		247	100.0		

8. You are familiar with the current initiative to restructure AIMDs/MALS and Depots under the new FRC concept

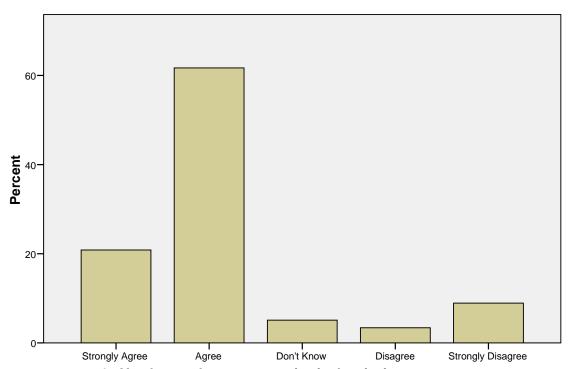


8. You are familiar with the current initiative to restructure AIMDs/MALS and Depots under the new FRC concept

9. You know what your organization's mission statement says

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	49	19.8	20.9	20.9
	Agree	145	58.7	61.7	82.6
	Don't Know	12	4.9	5.1	87.7
	Disagree	8	3.2	3.4	91.1
	Strongly Disagree	21	8.5	8.9	100.0
	Total	235	95.1	100.0	
Missing	System	12	4.9		
Total		247	100.0		

9. You know what your organization's mission statement says

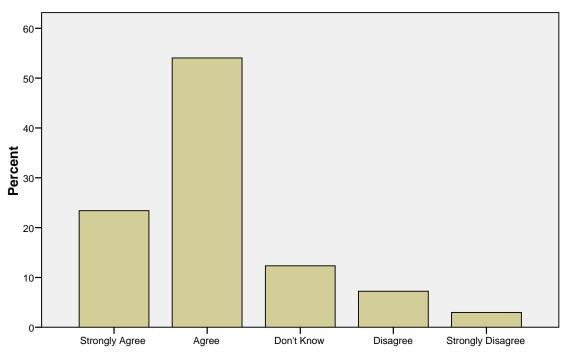


9. You know what your organization's mission statement says

10. You have received training to help you better align your efforts to support the concepts of AirSpeed, TOC, LEAN, Kaizen or Six Sigma

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	55	22.3	23.4	23.4
	Agree	127	51.4	54.0	77.4
	Don't Know	29	11.7	12.3	89.8
	Disagree	17	6.9	7.2	97.0
	Strongly Disagree	7	2.8	3.0	100.0
	Total	235	95.1	100.0	
Missing	System	12	4.9		
Total		247	100.0		

10. You have received training to help you better align your efforts to support the concepts of AirSpeed, TOC, LEAN, Kaizen or Six Sigma

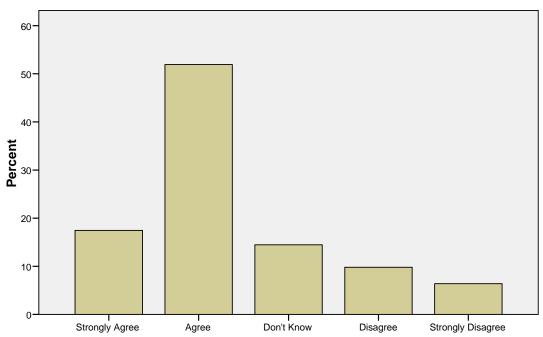


10. You have received training to help you better align your efforts to support the concepts of AirSpeed, TOC, LEAN, Kaizen or Six Sigma

11. Your immediate supervisor explained the impact of Fleet Readiness Centers on your job

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	41	16.6	17.4	17.4
	Agree	122	49.4	51.9	69.4
	Don't Know	34	13.8	14.5	83.8
	Disagree	23	9.3	9.8	93.6
	Strongly Disagree	15	6.1	6.4	100.0
	Total	235	95.1	100.0	
Missing	System	12	4.9		
Total		247	100.0		

11. Your immediate supervisor explained the impact of Fleet Readiness Centers on your job

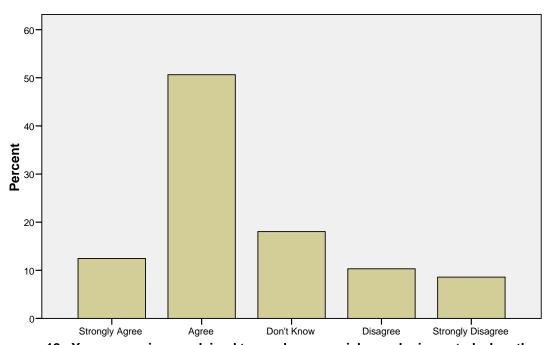


11. Your immediate supervisor explained the impact of Fleet Readiness Centers on your job

12. Your supervisor explained to you how your job may be impacted when the Navy/Marine Corps moves to two levels of maintenance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	29	11.7	12.4	12.4
	Agree	118	47.8	50.6	63.1
	Don't Know	42	17.0	18.0	81.1
	Disagree	24	9.7	10.3	91.4
	Strongly Disagree	20	8.1	8.6	100.0
	Total	233	94.3	100.0	
Missing	System	14	5.7		
Total		247	100.0		

12. Your supervisor explained to you how your job may be impacted when the Navy/Marine Corps moves to two levels of maintenance

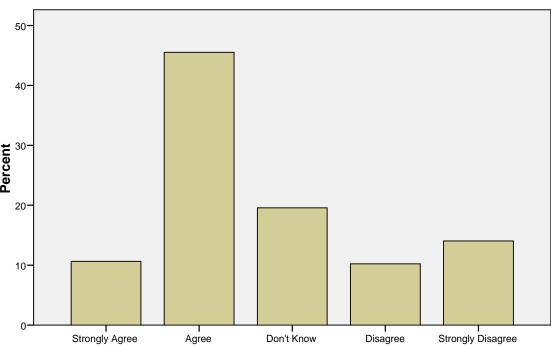


12. Your supervisor explained to you how your job may be impacted when the Navy/Marine Corps moves to two levels of maintenance

3. You feel you have adequate training right now to be effective in your role within the FRC

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	25	10.1	10.6	10.6
	Agree	107	43.3	45.5	56.2
	Don't Know	46	18.6	19.6	75.7
	Disagree	24	9.7	10.2	86.0
	Strongly Disagree	33	13.4	14.0	100.0
	Total	235	95.1	100.0	
Missing	System	12	4.9		
Total		247	100.0		

13. You feel you have adequate training right now to be effective in your role within the FRC

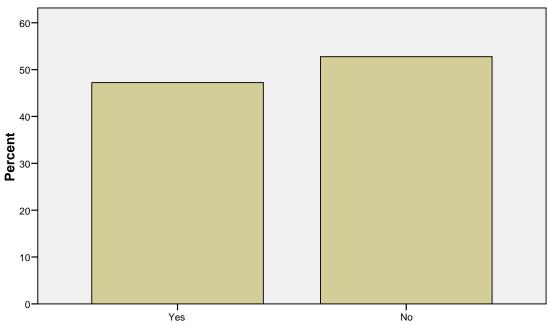


13. You feel you have adequate training right now to be effective in your role within the FRC

4. You have attended a 'Captain's Call' or training event that allowed you to ask your leadership questions regarding the potential changes to your unit under the new FRC construct

		Fraguenay	Doroont	Valid Darsont	Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Yes	111	44.9	47.2	47.2
	No	124	50.2	52.8	100.0
	Total	235	95.1	100.0	
Missing	System	12	4.9		
Total		247	100.0		

14. You have attended a 'Captain's Call' or training event that allowed you to ask your leadership questions regarding the potential changes to your unit under the new FRC construct

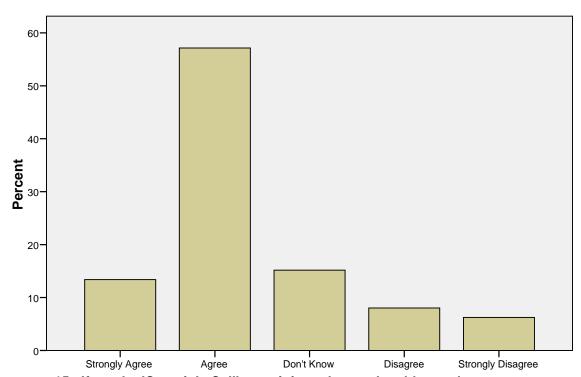


14. You have attended a 'Captain's Call' or training event that allowed you to ask your leadership questions regarding the potential changes to your unit under the new FRC construct

15. If so, the 'Captain's Call' or training adequately addressed your concerns

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Agree	15	6.1	13.4	13.4
	Agree	64	25.9	57.1	70.5
	Don't Know	17	6.9	15.2	85.7
	Disagree	9	3.6	8.0	93.8
	Strongly Disagree	7	2.8	6.3	100.0
	Total	112	45.3	100.0	
Missing	System	135	54.7		
Total		247	100.0		

15. If so, the 'Captain's Call' or training adequately addressed your concerns

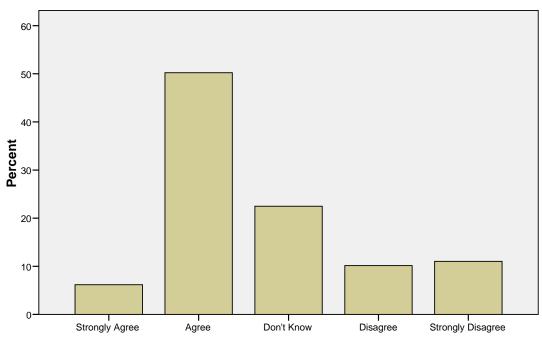


15. If so, the 'Captain's Call' or training adequately addressed your concerns

6. You have encountered rumors about the potential benefits or risks of moving from three levels of maintenance to two levels of maintenance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	14	5.7	6.2	6.2
	Agree	114	46.2	50.2	56.4
	Don't Know	51	20.6	22.5	78.9
	Disagree	23	9.3	10.1	89.0
	Strongly Disagree	25	10.1	11.0	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

16. You have encountered rumors about the potential benefits or risks of moving from three levels of maintenance to two levels of maintenance

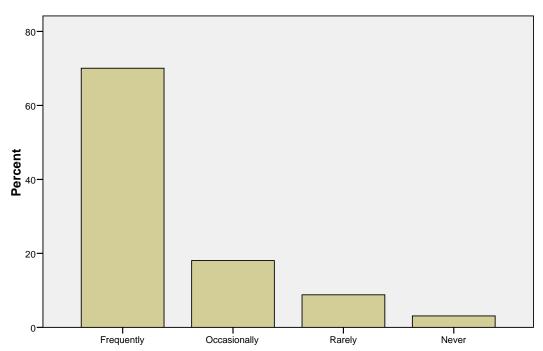


16. You have encountered rumors about the potential benefits or risks of moving from three levels of maintenance to two levels of maintenance

17. You see your LCPO/NCOIC/Supervisor in your workcenter

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Frequently	159	64.4	70.0	70.0
	Occasionally	41	16.6	18.1	88.1
	Rarely	20	8.1	8.8	96.9
	Never	7	2.8	3.1	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

17. You see your LCPO/NCOIC/Supervisor in your workcenter

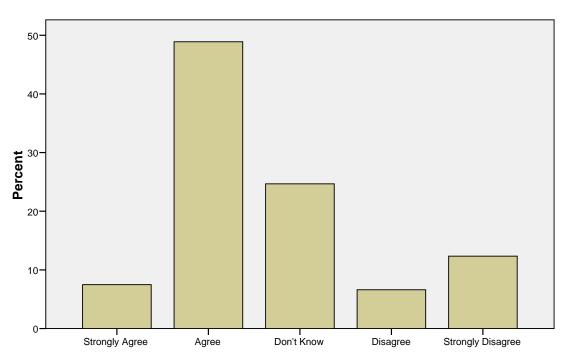


17. You see your LCPO/NCOIC/Supervisor in your workcenter

18. You have encountered rumors about the potential benefits or risks to the implementation of Fleet Readiness Centers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	17	6.9	7.5	7.5
	Agree	111	44.9	48.9	56.4
	Don't Know	56	22.7	24.7	81.1
	Disagree	15	6.1	6.6	87.7
	Strongly Disagree	28	11.3	12.3	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

18. You have encountered rumors about the potential benefits or risks to the implementation of Fleet Readiness Centers

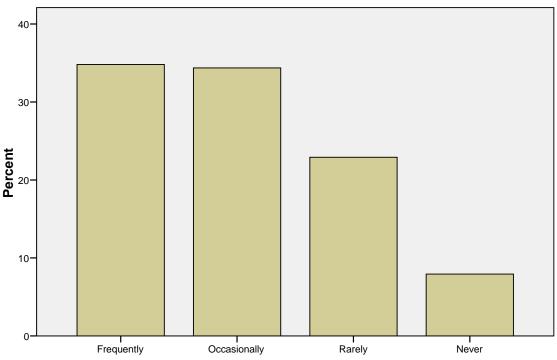


18. You have encountered rumors about the potential benefits or risks to the implementation of Fleet Readiness Centers

19. You see your Division Officer or Department Head in your workcenter

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Frequently	79	32.0	34.8	34.8
	Occasionally	78	31.6	34.4	69.2
	Rarely	52	21.1	22.9	92.1
	Never	18	7.3	7.9	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

19. You see your Division Officer or Department Head in your workcenter

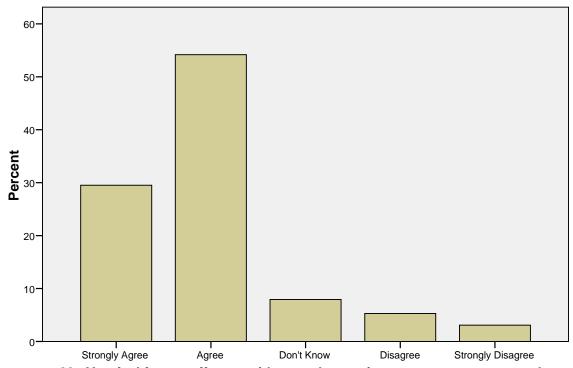


19. You see your Division Officer or Department Head in your workcenter

20. You feel free to offer your ideas on how to improve processes at work

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	67	27.1	29.5	29.5
	Agree	123	49.8	54.2	83.7
	Don't Know	18	7.3	7.9	91.6
	Disagree	12	4.9	5.3	96.9
	Strongly Disagree	7	2.8	3.1	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

20. You feel free to offer your ideas on how to improve processes at work

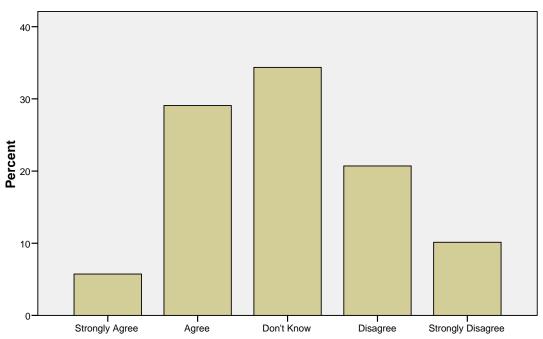


20. You feel free to offer your ideas on how to improve processes at work

21. You were consulted on the impact of moving from three levels of maintenance to

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	13	5.3	5.7	5.7
	Agree	66	26.7	29.1	34.8
	Don't Know	78	31.6	34.4	69.2
	Disagree	47	19.0	20.7	89.9
	Strongly Disagree	23	9.3	10.1	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

21. You were consulted on the impact of moving from three levels of maintenance to two

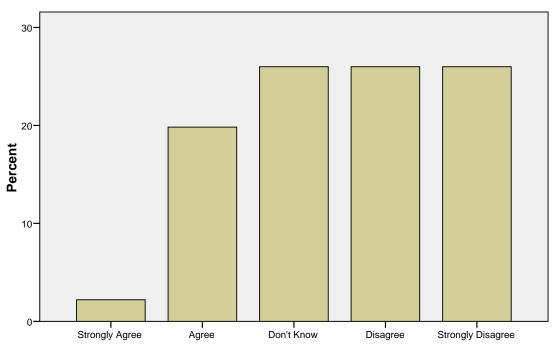


21. You were consulted on the impact of moving from three levels of maintenance to two

2. You feel your input was carefully considered prior to NAVAIR's commitment to the FRC Concept

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	5	2.0	2.2	2.2
	Agree	45	18.2	19.8	22.0
	Don't Know	59	23.9	26.0	48.0
	Disagree	59	23.9	26.0	74.0
	Strongly Disagree	59	23.9	26.0	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

22. You feel your input was carefully considered prior to NAVAIR's commitment to the FRC Concept

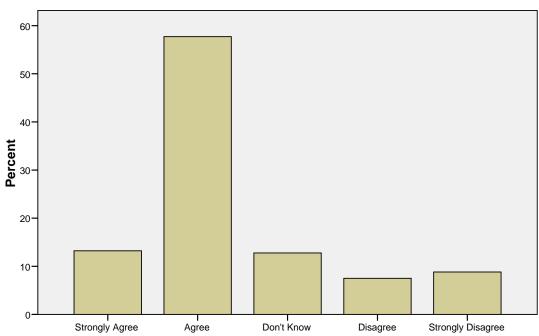


22. You feel your input was carefully considered prior to NAVAIR's commitment to the FRC Concept

3. You feel free to voice your opinion of the proposed FRC plan to those senior to you

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	30	12.1	13.2	13.2
	Agree	131	53.0	57.7	70.9
	Don't Know	29	11.7	12.8	83.7
	Disagree	17	6.9	7.5	91.2
	Strongly Disagree	20	8.1	8.8	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

23. You feel free to voice your opinion of the proposed FRC plan to those senior to you

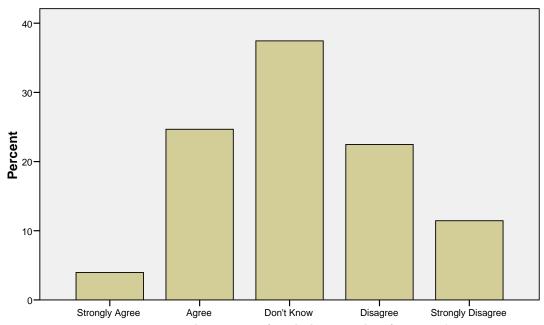


23. You feel free to voice your opinion of the proposed FRC plan to those senior to you

24. You attended working groups (or similar meetings) whose focus was on discussing the impact of the new FRC structure prior to NAVAIR's commitment to the concept

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	9	3.6	4.0	4.0
	Agree	56	22.7	24.7	28.6
	Don't Know	85	34.4	37.4	66.1
	Disagree	51	20.6	22.5	88.5
	Strongly Disagree	26	10.5	11.5	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

24. You attended working groups (or similar meetings) whose focus was on discussing the impact of the new FRC structure prior to NAVAIR's commitment to the concept

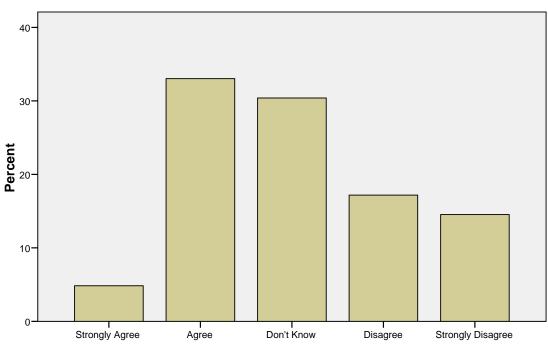


24. You attended working groups (or similar meetings) whose focus was on discussing the impact of the new FRC structure prior to NAVAIR's commitment to the concept

25. Your leadership has adequately addressed the possible career impact to those affected by the implementation of the FRCs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	11	4.5	4.8	4.8
	Agree	75	30.4	33.0	37.9
	Don't Know	69	27.9	30.4	68.3
	Disagree	39	15.8	17.2	85.5
	Strongly Disagree	33	13.4	14.5	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

25. Your leadership has adequately addressed the possible career impact to those affected by the implementation of the FRCs

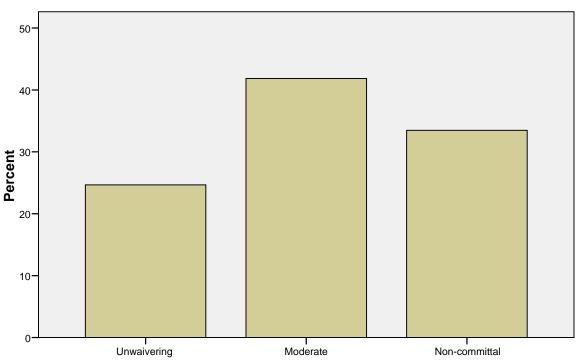


25. Your leadership has adequately addressed the possible career impact to those affected by the implementation of the FRCs

26. You would characterize your leaderships committement to the implimentation of Fleet Readiness Centers as

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Unwaivering	56	22.7	24.7	24.7
	Moderate	95	38.5	41.9	66.5
	Non-committal	76	30.8	33.5	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

26. You would characterize your leaderships committement to the implimentation of Fleet Readiness Centers as

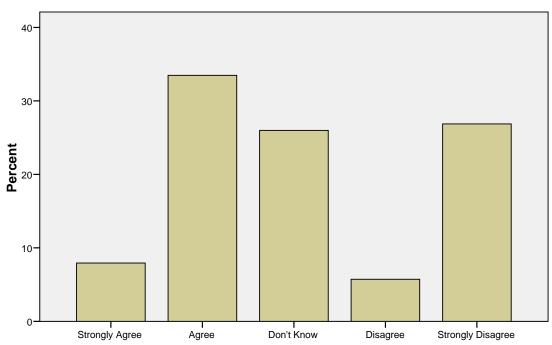


26. You would characterize your leaderships committement to the implimentation of Fleet Readiness Centers as

?7. If I can not successfully transform my organization we will not be able to meet the objectives of the Naval Aviation Enterprise

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	18	7.3	7.9	7.9
	Agree	76	30.8	33.5	41.4
	Don't Know	59	23.9	26.0	67.4
	Disagree	13	5.3	5.7	73.1
	Strongly Disagree	61	24.7	26.9	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

27. If I can not successfully transform my organization we will not be able to meet the objectives of the Naval Aviation Enterprise

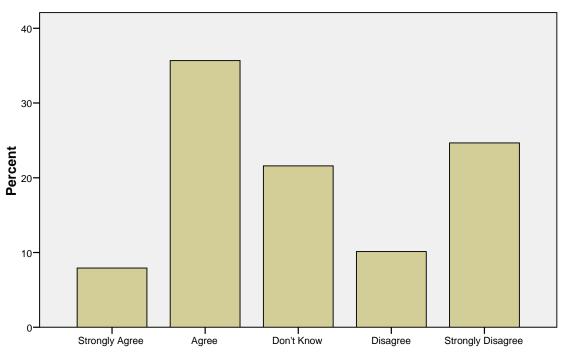


27. If I can not successfully transform my organization we will not be able to meet the objectives of the Naval Aviation Enterprise

28. I believe my next performance evaluation/FITREP will be impacted by my ability to successfully transform my organization under the new FRC plan

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	18	7.3	7.9	7.9
	Agree	81	32.8	35.7	43.6
	Don't Know	49	19.8	21.6	65.2
	Disagree	23	9.3	10.1	75.3
	Strongly Disagree	56	22.7	24.7	100.0
	Total	227	91.9	100.0	
Missing	System	20	8.1		
Total		247	100.0		

28. I believe my next performance evaluation/FITREP will be impacted by my ability to successfully transform my organization under the new FRC plan

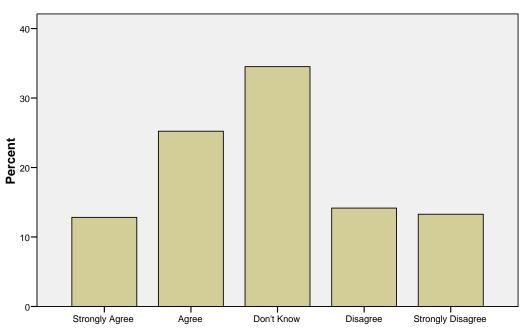


28. I believe my next performance evaluation/FITREP will be impacted by my ability to successfully transform my organization under the new FRC plan

29. The benefits of AIRspeed sound great, but the effort to implement the program is not worth the reward

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	29	11.7	12.8	12.8
	Agree	57	23.1	25.2	38.1
	Don't Know	78	31.6	34.5	72.6
	Disagree	32	13.0	14.2	86.7
	Strongly Disagree	30	12.1	13.3	100.0
	Total	226	91.5	100.0	
Missing	System	21	8.5		
Total		247	100.0		

29. The benefits of AIRspeed sound great, but the effort to implement the program is not worth the reward

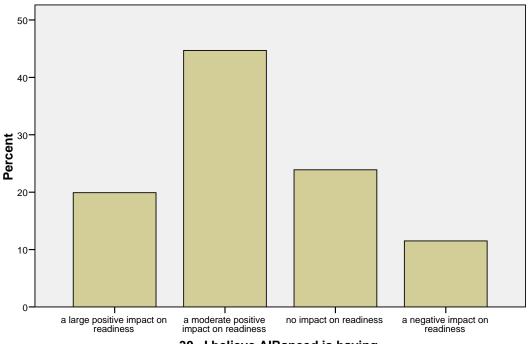


29. The benefits of AIRspeed sound great, but the effort to implement the program is not worth the reward

30. I believe AIRspeed is having

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	a large positive impact on readiness	45	18.2	19.9	19.9
	a moderate positive impact on readiness	101	40.9	44.7	64.6
	no impact on readiness	54	21.9	23.9	88.5
	a negative impact on readiness	26	10.5	11.5	100.0
	Total	226	91.5	100.0	
Missing	System	21	8.5		
Total		247	100.0		

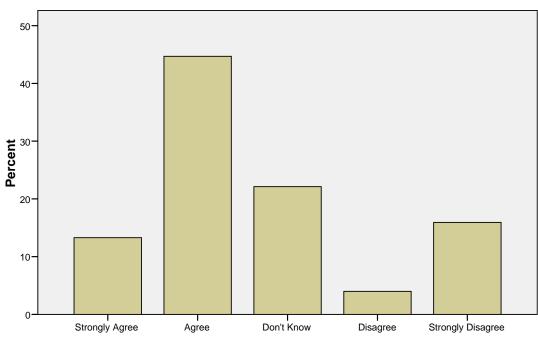
30. I believe AIRspeed is having



31. My performance will be evaluated on how well I can implement AIRspeed at my command

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	30	12.1	13.3	13.3
	Agree	101	40.9	44.7	58.0
	Don't Know	50	20.2	22.1	80.1
	Disagree	9	3.6	4.0	84.1
	Strongly Disagree	36	14.6	15.9	100.0
	Total	226	91.5	100.0	
Missing	System	21	8.5		
Total		247	100.0		

31. My performance will be evaluated on how well I can implement AIRspeed at my command

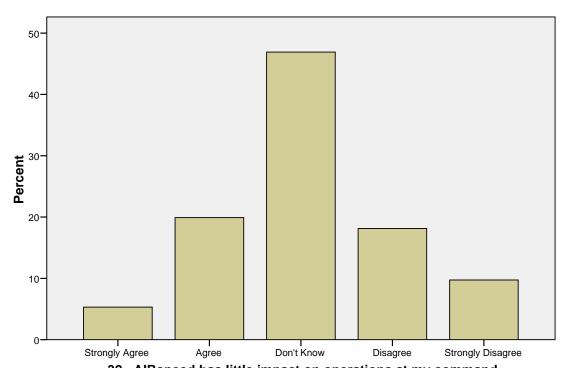


31. My performance will be evaluated on how well I can implement AIRspeed at my command

32. AIRspeed has little impact on operations at my command

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	12	4.9	5.3	5.3
	Agree	45	18.2	19.9	25.2
	Don't Know	106	42.9	46.9	72.1
	Disagree	41	16.6	18.1	90.3
	Strongly Disagree	22	8.9	9.7	100.0
	Total	226	91.5	100.0	
Missing	System	21	8.5		
Total		247	100.0		

32. AIRspeed has little impact on operations at my command

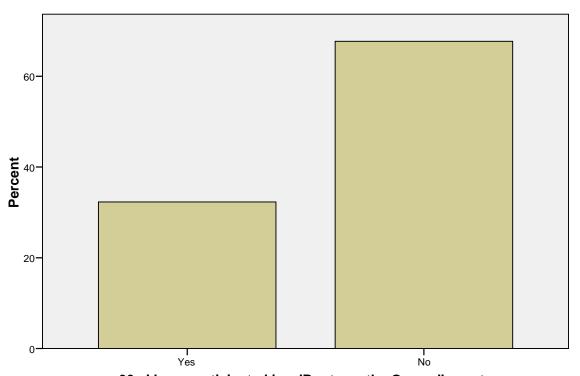


32. AIRspeed has little impact on operations at my command

33. I have participated in a 'Boots on the Ground' event

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Yes	73	29.6	32.3	32.3
	No	153	61.9	67.7	100.0
	Total	226	91.5	100.0	
Missing	System	21	8.5		
Total		247	100.0		

33. I have participated in a 'Boots on the Ground' event

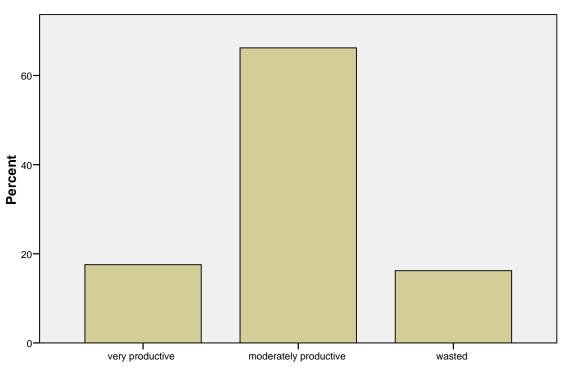


33. I have participated in a 'Boots on the Ground' event

34. I found my time at the event to be

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very productive	13	5.3	17.6	17.6
	moderately productive	49	19.8	66.2	83.8
	wasted	12	4.9	16.2	100.0
	Total	74	30.0	100.0	
Missing	System	173	70.0		
Total		247	100.0		

34. I found my time at the event to be

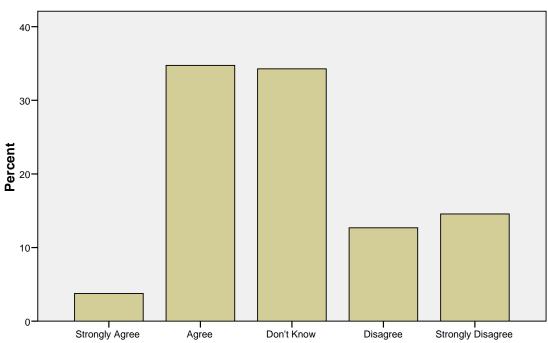


34. I found my time at the event to be

35. I have read about the development of Fleet Readiness Centers in the base paper, Approach, Mech, or other military periodicals

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	8	3.2	3.8	3.8
	Agree	74	30.0	34.7	38.5
	Don't Know	73	29.6	34.3	72.8
	Disagree	27	10.9	12.7	85.4
	Strongly Disagree	31	12.6	14.6	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

35. I have read about the development of Fleet Readiness Centers in the base paper, Approach, Mech, or other military periodicals

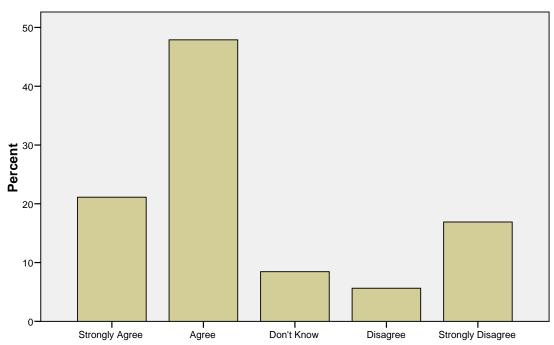


35. I have read about the development of Fleet Readiness Centers in the base paper, Approach, Mech, or other military periodicals

6. My command is willing to send me for additional training in AIRspeed, TOC, LEAN Kaizen or Six Sigma?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	45	18.2	21.1	21.1
	Agree	102	41.3	47.9	69.0
	Don't Know	18	7.3	8.5	77.5
	Disagree	12	4.9	5.6	83.1
	Strongly Disagree	36	14.6	16.9	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

36. My command is willing to send me for additional training in AIRspeed, TOC, LEAN, Kaizen or Six Sigma?

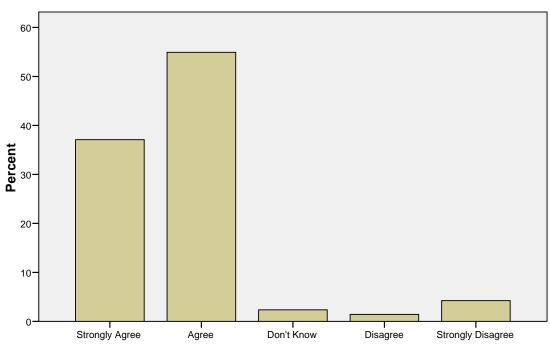


36. My command is willing to send me for additional training in AIRspeed, TOC, LEAN, Kaizen or Six Sigma?

37. I know at least 1 person in my work center that has received some training in AIRspeed, TOC, LEAN, Kaizen or Six Sigma?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	79	32.0	37.1	37.1
	Agree	117	47.4	54.9	92.0
	Don't Know	5	2.0	2.3	94.4
	Disagree	3	1.2	1.4	95.8
	Strongly Disagree	9	3.6	4.2	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

37. I know at least 1 person in my work center that has received some training in AIRspeed, TOC, LEAN, Kaizen or Six Sigma?

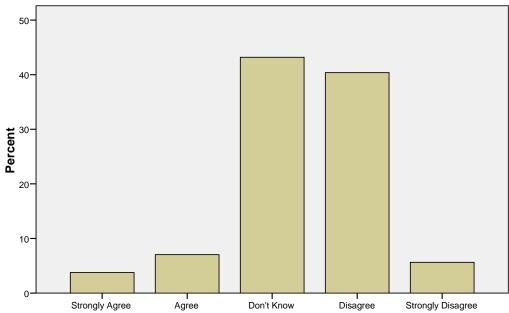


37. I know at least 1 person in my work center that has received some training in AIRspeed, TOC, LEAN, Kaizen or Six Sigma?

38. I don't know of any person in my work center that has received training in AirSpeed, TOC, LEAN, Kaizen or Six Sigma

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	8	3.2	3.8	3.8
	Agree	15	6.1	7.0	10.8
	Don't Know	92	37.2	43.2	54.0
	Disagree	86	34.8	40.4	94.4
	Strongly Disagree	12	4.9	5.6	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

38. I don't know of any person in my work center that has received training in AirSpeed, TOC, LEAN, Kaizen or Six Sigma

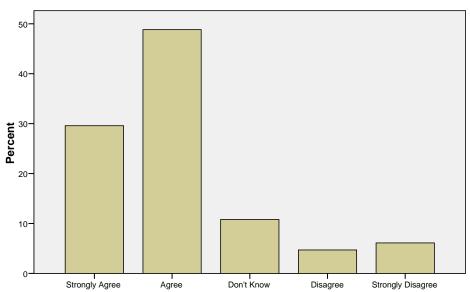


38. I don't know of any person in my work center that has received training in AirSpeed, TOC, LEAN, Kaizen or Six Sigma

39. I am familiar with the terms 'Black belt' and 'Greenbelt' as they apply to AIRspeed

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	63	25.5	29.6	29.6
	Agree	104	42.1	48.8	78.4
	Don't Know	23	9.3	10.8	89.2
	Disagree	10	4.0	4.7	93.9
	Strongly Disagree	13	5.3	6.1	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

39. I am familiar with the terms 'Black belt' and 'Greenbelt' as they apply to ${\sf AIRspeed}$

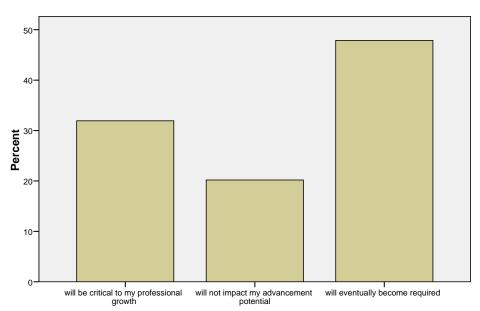


39. I am familiar with the terms 'Black belt' and 'Greenbelt' as they apply to AIRspeed

40. I beleive that 'Blackbelt' or 'Greenbelt' training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	will be critical to my professional growth	68	27.5	31.9	31.9
	will not impact my advancement potential	43	17.4	20.2	52.1
	will eventually become required	102	41.3	47.9	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

40. I beleive that 'Blackbelt' or 'Greenbelt' training

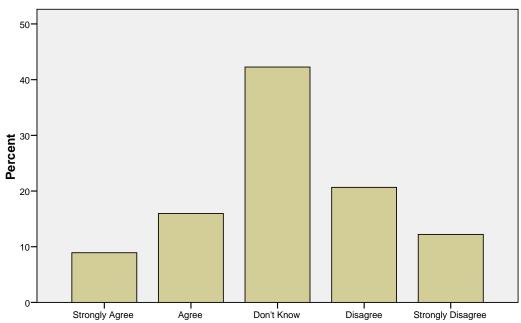


40. I beleive that 'Blackbelt' or 'Greenbelt' training

41. I don't have the training required to work side-by-side with Depot-level artisans

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	19	7.7	8.9	8.9
	Agree	34	13.8	16.0	24.9
	Don't Know	90	36.4	42.3	67.1
	Disagree	44	17.8	20.7	87.8
	Strongly Disagree	26	10.5	12.2	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

41. I don't have the training required to work side-by-side with Depot-level artisans

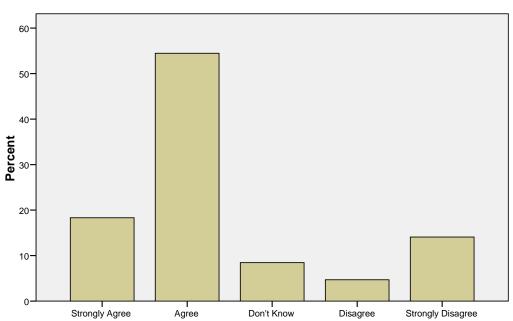


41. I don't have the training required to work side-by-side with Depot-level artisans

42. I feel my current level of training would allow me to work side-by-side with Depot-level artisans productively

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	39	15.8	18.3	18.3
	Agree	116	47.0	54.5	72.8
	Don't Know	18	7.3	8.5	81.2
	Disagree	10	4.0	4.7	85.9
	Strongly Disagree	30	12.1	14.1	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

42. I feel my current level of training would allow me to work side-by-side with Depot-level artisans productively

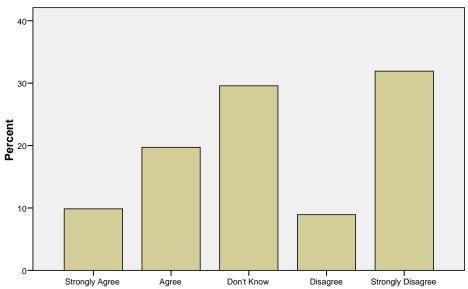


42. I feel my current level of training would allow me to work side-by-side with Depot-level artisans productively

43. It's been my experience that Depot-level artisans rarely take the time to provide Fleet personnel meaningful OJT

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	21	8.5	9.9	9.9
	Agree	42	17.0	19.7	29.6
	Don't Know	63	25.5	29.6	59.2
	Disagree	19	7.7	8.9	68.1
	Strongly Disagree	68	27.5	31.9	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

43. It's been my experience that Depot-level artisans rarely take the time to provide Fleet personnel meaningful OJT

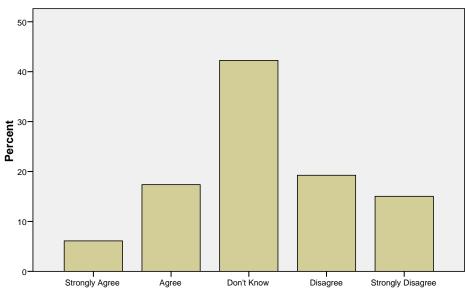


43. It's been my experience that Depot-level artisans rarely take the time to provide Fleet personnel meaningful OJT

44. It's been my experience that Fleet personnel are not prepared to handle the more in-depth maintenance performed by Depot-level artisans

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	13	5.3	6.1	6.1
	Agree	37	15.0	17.4	23.5
	Don't Know	90	36.4	42.3	65.7
	Disagree	41	16.6	19.2	85.0
	Strongly Disagree	32	13.0	15.0	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

44. It's been my experience that Fleet personnel are not prepared to handle the more in-depth maintenance performed by Depot-level artisans

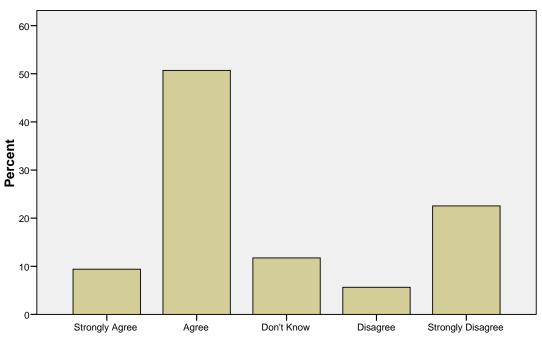


44. It's been my experience that Fleet personnel are not prepared to handle the more in-depth maintenance performed by Depot-level artisans

5. I trust that my leadership has well analyzed the benefits of moving to the new FRC concept and that we will experience some degree of benefit

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	20	8.1	9.4	9.4
	Agree	108	43.7	50.7	60.1
	Don't Know	25	10.1	11.7	71.8
	Disagree	12	4.9	5.6	77.5
	Strongly Disagree	48	19.4	22.5	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

45. I trust that my leadership has well analyzed the benefits of moving to the new FRC concept and that we will experience some degree of benefit

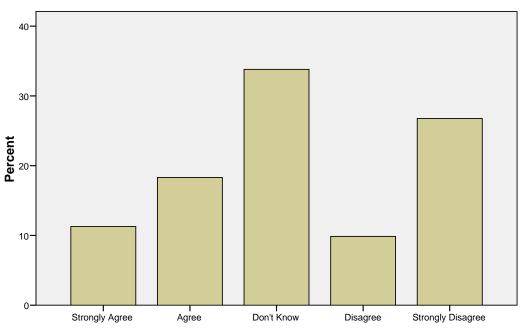


45. I trust that my leadership has well analyzed the benefits of moving to the new FRC concept and that we will experience some degree of benefit

46. I've been in the Navy/Marie Corps/Civil Service long enough to realize that AIRspeed will be a passing phase like TQL/TQM

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	24	9.7	11.3	11.3
	Agree	39	15.8	18.3	29.6
	Don't Know	72	29.1	33.8	63.4
	Disagree	21	8.5	9.9	73.2
	Strongly Disagree	57	23.1	26.8	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

46. I've been in the Navy/Marie Corps/Civil Service long enough to realize that AIRspeed will be a passing phase like TQL/TQM

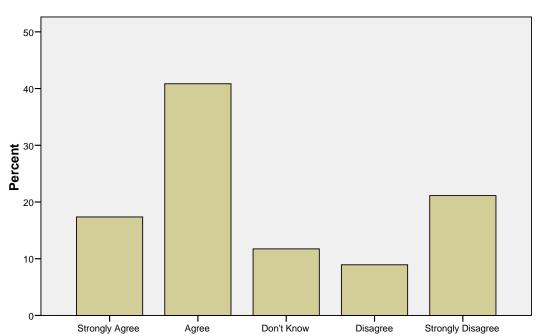


46. I've been in the Navy/Marie Corps/Civil Service long enough to realize that AIRspeed will be a passing phase like TQL/TQM

47. I believe that AIRSpeed and its tenant concepts such as Lean, Six Sigma, Kaizen and TOC are here to stay

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	37	15.0	17.4	17.4
	Agree	87	35.2	40.8	58.2
	Don't Know	25	10.1	11.7	70.0
	Disagree	19	7.7	8.9	78.9
	Strongly Disagree	45	18.2	21.1	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

47. I believe that AIRSpeed and its tenant concepts such as Lean, Six Sigma, Kaizen and TOC are here to stay

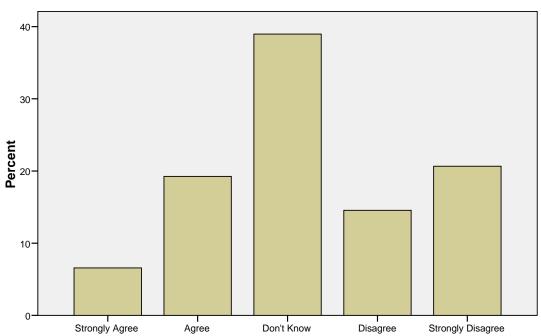


47. I believe that AIRSpeed and its tenant concepts such as Lean, Six Sigma, Kaizen and TOC are here to stay

48. If I don't apply the tenants of AIRspeed to my daily work I will never get promoted

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	14	5.7	6.6	6.6
	Agree	41	16.6	19.2	25.8
	Don't Know	83	33.6	39.0	64.8
	Disagree	31	12.6	14.6	79.3
	Strongly Disagree	44	17.8	20.7	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

48. If I don't apply the tenants of AIRspeed to my daily work I will never get promoted

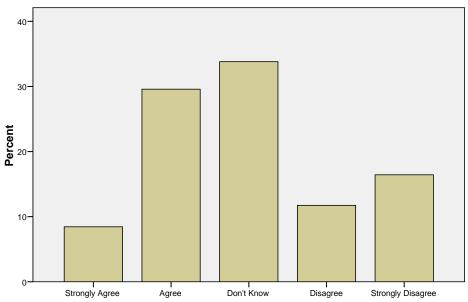


48. If I don't apply the tenants of AIRspeed to my daily work I will never get promoted

49. If I don't understand AIRspeed I'm looked down upon at my command

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	18	7.3	8.5	8.5
	Agree	63	25.5	29.6	38.0
	Don't Know	72	29.1	33.8	71.8
	Disagree	25	10.1	11.7	83.6
	Strongly Disagree	35	14.2	16.4	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

49. If I don't understand AIRspeed I'm looked down upon at my command

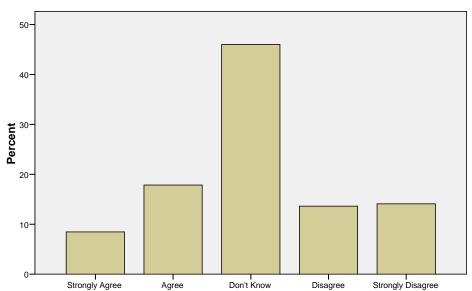


49. If I don't understand AIRspeed I'm looked down upon at my command

0. I disagree with the direction that AIRspeed is taking us, but I have no choice but to comply - my career is on the line.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	18	7.3	8.5	8.5
	Agree	38	15.4	17.8	26.3
	Don't Know	98	39.7	46.0	72.3
	Disagree	29	11.7	13.6	85.9
	Strongly Disagree	30	12.1	14.1	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

50. I disagree with the direction that AIRspeed is taking us, but I have no choice but to comply - my career is on the line.

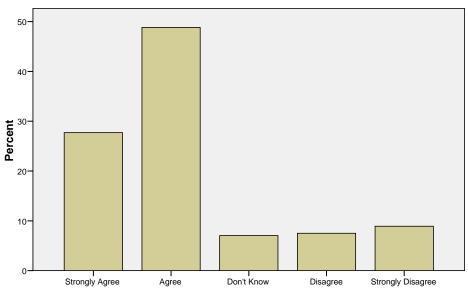


50. I disagree with the direction that AIRspeed is taking us, but I have no choice but to comply - my career is on the line.

51. I know at least one person in my command who I consider to be a subject matter expert in AIRspeed

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	59	23.9	27.7	27.7
	Agree	104	42.1	48.8	76.5
	Don't Know	15	6.1	7.0	83.6
	Disagree	16	6.5	7.5	91.1
	Strongly Disagree	19	7.7	8.9	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

51. I know at least one person in my command who I consider to be a subject matter expert in AIRspeed

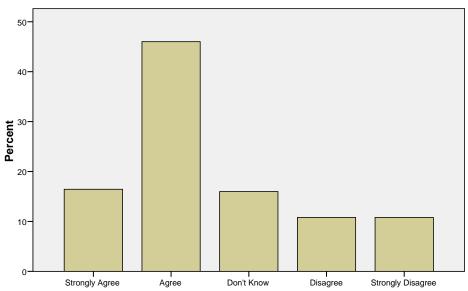


51. I know at least one person in my command who I consider to be a subject matter expert in AIRspeed

52. I know a number of people in my command who I consider to be subject matter experts in AIRspeed

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	35	14.2	16.4	16.4
	Agree	98	39.7	46.0	62.4
	Don't Know	34	13.8	16.0	78.4
	Disagree	23	9.3	10.8	89.2
	Strongly Disagree	23	9.3	10.8	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

52. I know a number of people in my command who I consider to be subject matter experts in AIRspeed

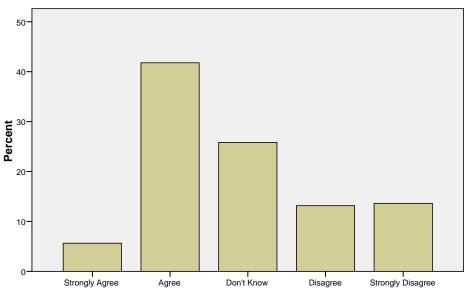


52. I know a number of people in my command who I consider to be subject matter experts in AIRspeed

53. My immediate supervisor is able to provide us training on AIRspeed that is easily understandable

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	12	4.9	5.6	5.6
	Agree	89	36.0	41.8	47.4
	Don't Know	55	22.3	25.8	73.2
	Disagree	28	11.3	13.1	86.4
	Strongly Disagree	29	11.7	13.6	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

53. My immediate supervisor is able to provide us training on AIRspeed that is easily understandable

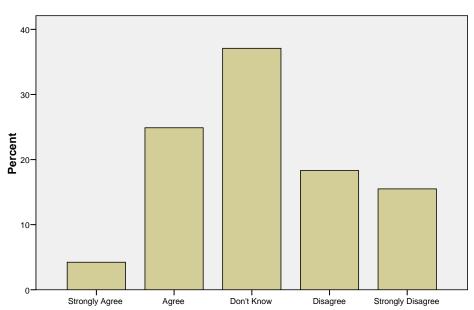


53. My immediate supervisor is able to provide us training on AIRspeed that is easily understandable

54. I consider my immediate supervisor a subject matter expert in AIRspeed

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	9	3.6	4.2	4.2
	Agree	53	21.5	24.9	29.1
	Don't Know	79	32.0	37.1	66.2
	Disagree	39	15.8	18.3	84.5
	Strongly Disagree	33	13.4	15.5	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

54. I consider my immediate supervisor a subject matter expert in AIRspeed

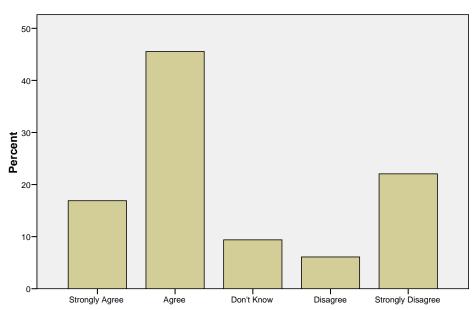


54. I consider my immediate supervisor a subject matter expert in AIRspeed

55. My immediate supervisor supports the AIRSpeed program

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	36	14.6	16.9	16.9
	Agree	97	39.3	45.5	62.4
	Don't Know	20	8.1	9.4	71.8
	Disagree	13	5.3	6.1	77.9
	Strongly Disagree	47	19.0	22.1	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

55. My immediate supervisor supports the AIRSpeed program

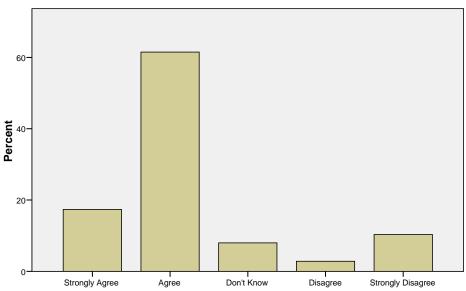


55. My immediate supervisor supports the AIRSpeed program

56. My immediate supervisor while not an expert on AIRspeed, knows where to go and find answers when we need them.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	37	15.0	17.4	17.4
	Agree	131	53.0	61.5	78.9
	Don't Know	17	6.9	8.0	86.9
	Disagree	6	2.4	2.8	89.7
	Strongly Disagree	22	8.9	10.3	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

56. My immediate supervisor while not an expert on AIRspeed, knows where to go and find answers when we need them.

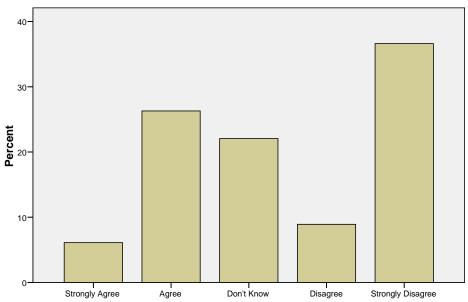


56. My immediate supervisor while not an expert on AIRspeed, knows where to go and find answers when we need them.

57. Initially, my command instituted AIRspeed in one program area only

		Frequency	Percent	Valid Percent	Cumulative Percent
\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	0	 			
Valid	Strongly Agree	13	5.3	6.1	6.1
	Agree	56	22.7	26.3	32.4
	Don't Know	47	19.0	22.1	54.5
	Disagree	19	7.7	8.9	63.4
	Strongly Disagree	78	31.6	36.6	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

57. Initially, my command instituted AIRspeed in one program area only

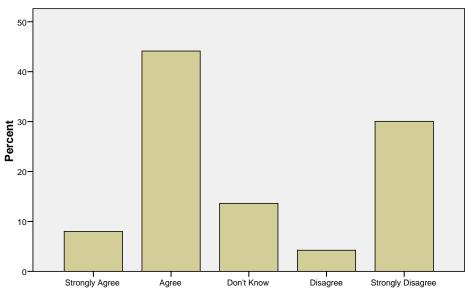


57. Initially, my command instituted AIRspeed in one program area only

8. After its initial success, we instituted the tenants of AIRspeed throughout all of ou processes

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	17	6.9	8.0	8.0
	Agree	94	38.1	44.1	52.1
	Don't Know	29	11.7	13.6	65.7
	Disagree	9	3.6	4.2	70.0
	Strongly Disagree	64	25.9	30.0	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

58. After its initial success, we instituted the tenants of AIRspeed throughout all of our processes

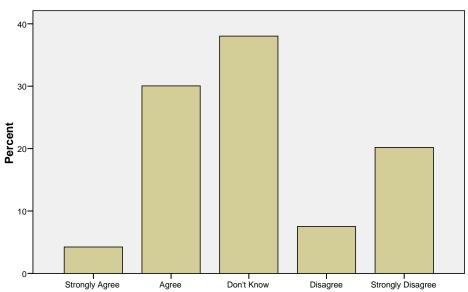


58. After its initial success, we instituted the tenants of AIRspeed throughout all of our processes

59. I have seen too many barriers to the implementation of AIRspeed at my command

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	9	3.6	4.2	4.2
	Agree	64	25.9	30.0	34.3
	Don't Know	81	32.8	38.0	72.3
	Disagree	16	6.5	7.5	79.8
	Strongly Disagree	43	17.4	20.2	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

59. I have seen too many barriers to the implementation of AIRspeed at my command

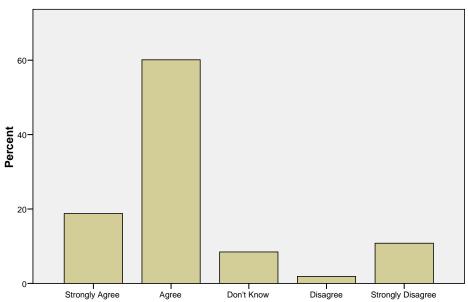


59. I have seen too many barriers to the implementation of AIRspeed at my command

60. I clearly understand the mission and vision of my organization or unit

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	40	16.2	18.8	18.8
	Agree	128	51.8	60.1	78.9
	Don't Know	18	7.3	8.5	87.3
	Disagree	4	1.6	1.9	89.2
	Strongly Disagree	23	9.3	10.8	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

60. I clearly understand the mission and vision of my organization or unit

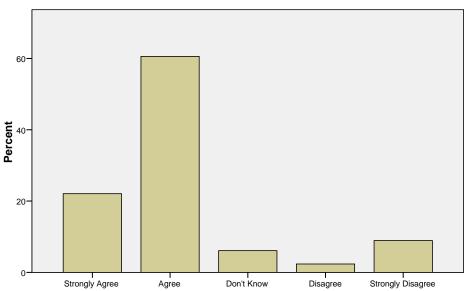


60. I clearly understand the mission and vision of my organization or unit

1. I understand the role that I play in assisting my organization or unit in achieving its mission

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	47	19.0	22.1	22.1
	Agree	129	52.2	60.6	82.6
	Don't Know	13	5.3	6.1	88.7
	Disagree	5	2.0	2.3	91.1
	Strongly Disagree	19	7.7	8.9	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

61. I understand the role that I play in assisting my organization or unit in achieving its mission

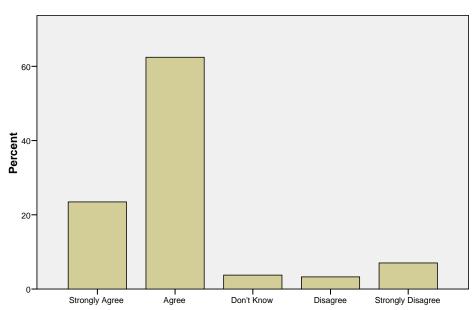


61. I understand the role that I play in assisting my organization or unit in achieving its mission

62. I am committed to the current direction of my organization or unit

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Agree	50	20.2	23.5	23.5
	Agree	133	53.8	62.4	85.9
	Don't Know	8	3.2	3.8	89.7
	Disagree	7	2.8	3.3	93.0
	Strongly Disagree	15	6.1	7.0	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

62. I am committed to the current direction of my organization or unit

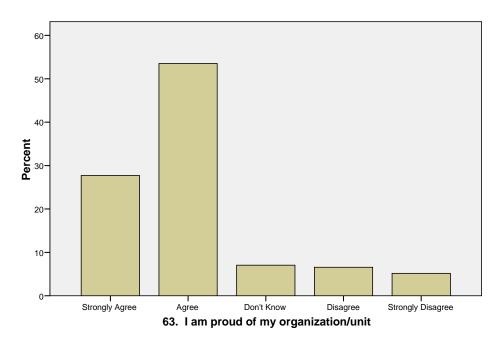


62. I am committed to the current direction of my organization or unit

63. I am proud of my organization/unit

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	59	23.9	27.7	27.7
	Agree	114	46.2	53.5	81.2
	Don't Know	15	6.1	7.0	88.3
	Disagree	14	5.7	6.6	94.8
	Strongly Disagree	11	4.5	5.2	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

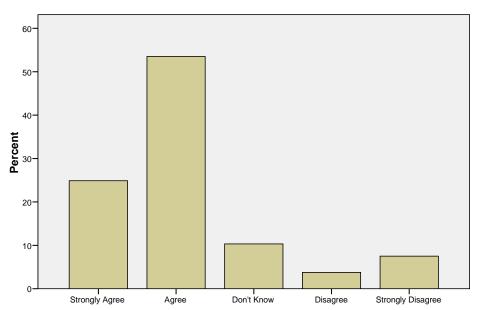
63. I am proud of my organization/unit



64. I feel extremely loyal to my organization/unit

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Agree	53	21.5	24.9	24.9
	Agree	114	46.2	53.5	78.4
	Don't Know	22	8.9	10.3	88.7
	Disagree	8	3.2	3.8	92.5
	Strongly Disagree	16	6.5	7.5	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

64. I feel extremely loyal to my organization/unit

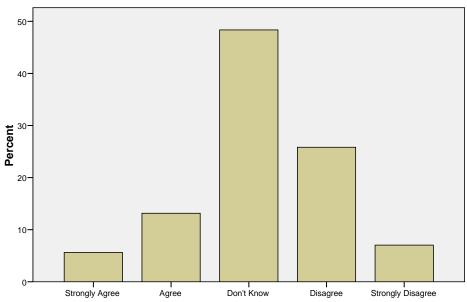


64. I feel extremely loyal to my organization/unit

65. I feel very little loyalty to my organization/unit

		F	Danasat	Valid Dansant	Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Agree	12	4.9	5.6	5.6
	Agree	28	11.3	13.1	18.8
	Don't Know	103	41.7	48.4	67.1
	Disagree	55	22.3	25.8	93.0
	Strongly Disagree	15	6.1	7.0	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

65. I feel very little loyalty to my organization/unit

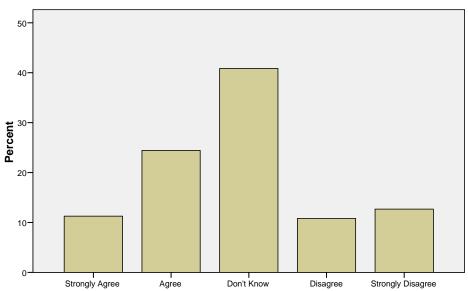


65. I feel very little loyalty to my organization/unit

66. I'd care more about the effectiveness of my organization or unit if the leadership showed more commitment to my own needs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	24	9.7	11.3	11.3
	Agree	52	21.1	24.4	35.7
	Don't Know	87	35.2	40.8	76.5
	Disagree	23	9.3	10.8	87.3
	Strongly Disagree	27	10.9	12.7	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

66. I'd care more about the effectiveness of my organization or unit if the leadership showed more commitment to my own needs

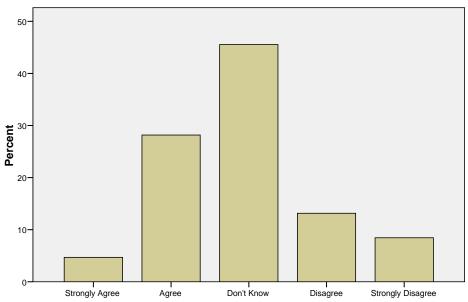


66. I'd care more about the effectiveness of my organization or unit if the leadership showed more commitment to my own needs

67. I rarely seek out information about other job opportunities

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	10	4.0	4.7	4.7
	Agree	60	24.3	28.2	32.9
	Don't Know	97	39.3	45.5	78.4
	Disagree	28	11.3	13.1	91.5
	Strongly Disagree	18	7.3	8.5	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

67. I rarely seek out information about other job opportunities

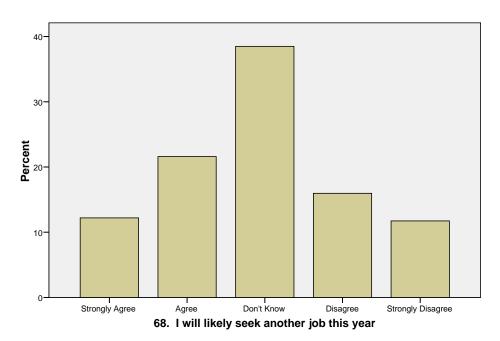


67. I rarely seek out information about other job opportunities

68. I will likely seek another job this year

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Agree	26	10.5	12.2	12.2
	Agree	46	18.6	21.6	33.8
	Don't Know	82	33.2	38.5	72.3
	Disagree	34	13.8	16.0	88.3
	Strongly Disagree	25	10.1	11.7	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

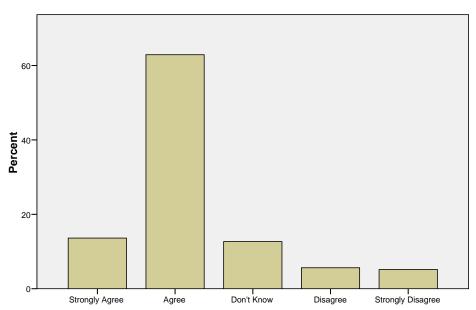
68. I will likely seek another job this year



69. Communication from my immediate supervisor is always timely

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Agree	29	11.7	13.6	13.6
	Agree	134	54.3	62.9	76.5
	Don't Know	27	10.9	12.7	89.2
	Disagree	12	4.9	5.6	94.8
	Strongly Disagree	11	4.5	5.2	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

69. Communication from my immediate supervisor is always timely

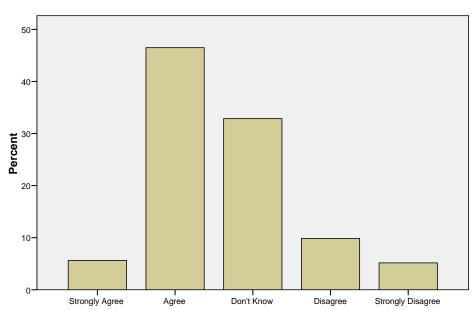


69. Communication from my immediate supervisor is always timely

70. I always feel like I know what is going on in my organization or unit

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	12	4.9	5.6	5.6
	Agree	99	40.1	46.5	52.1
	Don't Know	70	28.3	32.9	85.0
	Disagree	21	8.5	9.9	94.8
	Strongly Disagree	11	4.5	5.2	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

70. I always feel like I know what is going on in my organization or unit

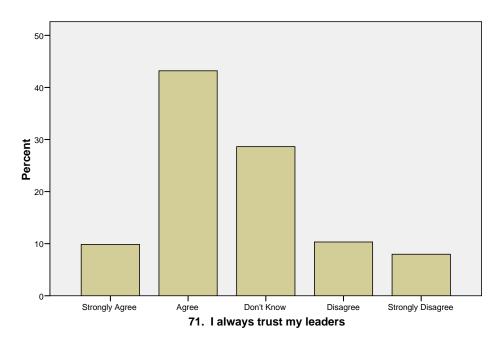


70. I always feel like I know what is going on in my organization or unit

71. I always trust my leaders

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	21	8.5	9.9	9.9
	Agree	92	37.2	43.2	53.1
	Don't Know	61	24.7	28.6	81.7
	Disagree	22	8.9	10.3	92.0
	Strongly Disagree	17	6.9	8.0	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

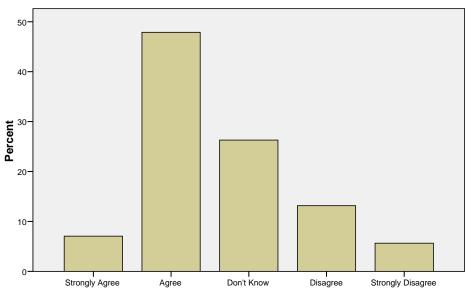
71. I always trust my leaders



72. Division and Department leaders always take the time to explain the reasoning behind critical decisions

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	15	6.1	7.0	7.0
	Agree	102	41.3	47.9	54.9
	Don't Know	56	22.7	26.3	81.2
	Disagree	28	11.3	13.1	94.4
	Strongly Disagree	12	4.9	5.6	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

72. Division and Department leaders always take the time to explain the reasoning behind critical decisions

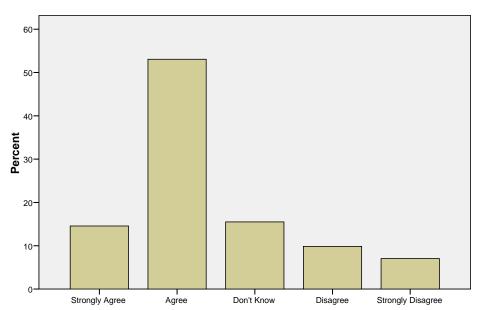


72. Division and Department leaders always take the time to explain the reasoning behind critical decisions

73. I trust my Departmental and Divisional leaders

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Agree	31	12.6	14.6	14.6
	Agree	113	45.7	53.1	67.6
	Don't Know	33	13.4	15.5	83.1
	Disagree	21	8.5	9.9	93.0
	Strongly Disagree	15	6.1	7.0	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

73. I trust my Departmental and Divisional leaders

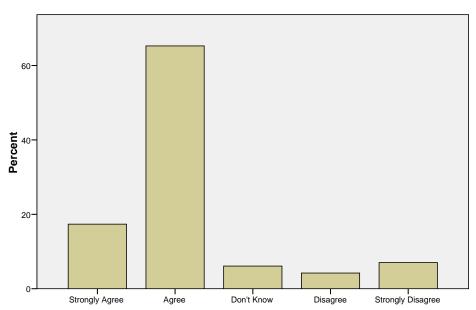


73. I trust my Departmental and Divisional leaders

74. I believe my Departmental/Divisional leaders have good intentions

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Agree	37	15.0	17.4	17.4
	Agree	139	56.3	65.3	82.6
	Don't Know	13	5.3	6.1	88.7
	Disagree	9	3.6	4.2	93.0
	Strongly Disagree	15	6.1	7.0	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

74. I believe my Departmental/Divisional leaders have good intentions

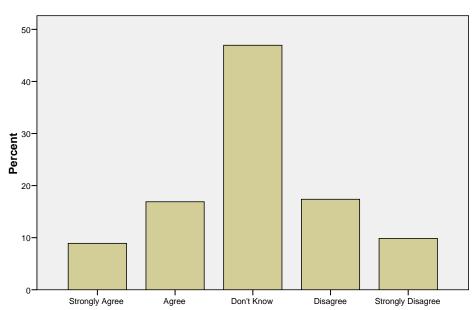


74. I believe my Departmental/Divisional leaders have good intentions

75. I am suspicious of my senior leaders' motives

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	19	7.7	8.9	8.9
	Agree	36	14.6	16.9	25.8
	Don't Know	100	40.5	46.9	72.8
	Disagree	37	15.0	17.4	90.1
	Strongly Disagree	21	8.5	9.9	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

75. I am suspicious of my senior leaders' motives

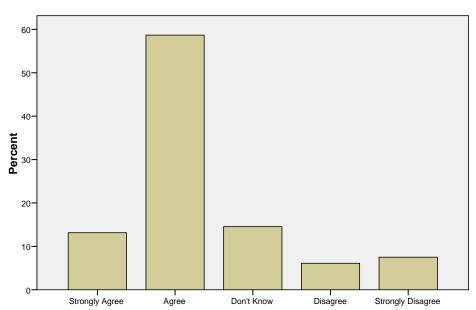


75. I am suspicious of my senior leaders' motives

76. I am given real opportunities to improve my skills

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	28	11.3	13.1	13.1
	Agree	125	50.6	58.7	71.8
	Don't Know	31	12.6	14.6	86.4
	Disagree	13	5.3	6.1	92.5
	Strongly Disagree	16	6.5	7.5	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

76. I am given real opportunities to improve my skills

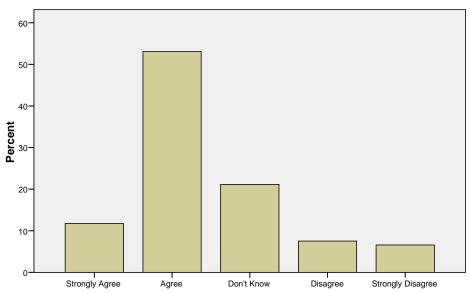


76. I am given real opportunities to improve my skills

77. I receive ongoing training that directly impacts how well I accomplish my job

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	25	10.1	11.7	11.7
Valid	Ottorigly Agree	23	10.1	11.7	11.7
	Agree	113	45.7	53.1	64.8
	Don't Know	45	18.2	21.1	85.9
	Disagree	16	6.5	7.5	93.4
	Strongly Disagree	14	5.7	6.6	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

77. I receive ongoing training that directly impacts how well I accomplish my job

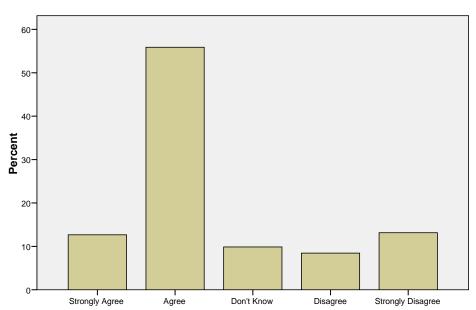


77. I receive ongoing training that directly impacts how well I accomplish my job

78. My command is concerned about my well-being

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	27	10.9	12.7	12.7
	Agree	119	48.2	55.9	68.5
	Don't Know	21	8.5	9.9	78.4
	Disagree	18	7.3	8.5	86.9
	Strongly Disagree	28	11.3	13.1	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

78. My command is concerned about my well-being

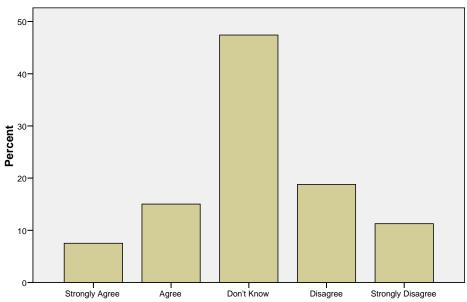


78. My command is concerned about my well-being

79. My command shows very little concern for my well-being

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	16	6.5	7.5	7.5
	Agree	32	13.0	15.0	22.5
	Don't Know	101	40.9	47.4	70.0
	Disagree	40	16.2	18.8	88.7
	Strongly Disagree	24	9.7	11.3	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

79. My command shows very little concern for my well-being

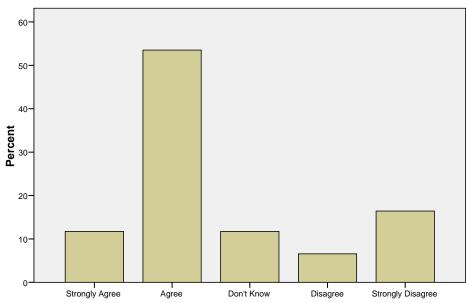


79. My command shows very little concern for my well-being

80. My command values my contributions

					Cumulative
		Frequency	Percent	Valid Percent	Percent
Valid	Strongly Agree	25	10.1	11.7	11.7
	Agree	114	46.2	53.5	65.3
	Don't Know	25	10.1	11.7	77.0
	Disagree	14	5.7	6.6	83.6
	Strongly Disagree	35	14.2	16.4	100.0
	Total	213	86.2	100.0	
Missing	System	34	13.8		
Total		247	100.0		

80. My command values my contributions



APPENDIX B. SITE VISITS

A. Site Visit Notes (Navy)

Notes dated October 25-26, 2006

Can you describe the methodology you have used to help transform the organization?

- (teams, consultants, guidance from higher up)
- Little guidance (almost non existent, in respect to FRC)
- AIRspeed more guidance. Lots of material, certifications, encourage training at command. Established Black belt who is now training others on a voluntary basis.

What kind of barriers have you encountered to implementing the new FRC structure?

- Largest barrier identified as lack of a plan by most asked this question.
- Junior people encountered knew little about the plan. More focused on task at hand.
- Personnel more senior in pay grade (O4-O5) were aware of plans by NAVAIR, COMNAVAIRFOR, but acknowledged that information has been flowing slowly and expressed frustration over the many issues that had yet to be worked out (i.e. funding streams, organizational relationships with the integration of Depot artisans).

.

What kind of reaction did you get from the CPO mess?

 Mixed review. Some skeptical or cynical as they have numerous changes of their careers (TQL,TQL, MBO etc...)

What kind of reaction did you get from the junior enlisted?

- Seem to lock onto the program. E5 and E6 have been qualified, some much earlier than the more senior.

- Officers interviewed voiced the view that understanding AIRspeed and even getting qualified as a Black belt or Greenbelt could be beneficial to the career of E5, E6 personnel.

E5, E6 personnel encountered stated enthusiasm for the program. They could articulate the purpose of the program, their role in it (at the workceter level) and the benefits reaped by their work centers. They also stated that they felt qualification as Green belt or Black belt could ultimately help them get promoted to Chief Petty Officer. Noted their perception of incentives.

Do you have greenbelts/black belts?

- All Navy units visited had Green belts as a minimum. One had a Black-belt.

What pay grades?

- Two officers, 2 enlisted (1CPO, 1 E6)

Is it a sought after position?

- Question posed to E6. Stated that he felt it was. Also felt it was career enhancing and a way to distinguish himself from peers for promotion.

Do you incetivize the program in some way?

- Liberty / recognition (no)

Are your people working side by side with Depot level artisans yet?

- Yes integrating first workceter. Noted presence of military supervisor and civilian supervisor within same workceter. Asked if either had noticed any issues with the side-by-side relationship.
- Military noted no difficulty working with civilian artisans. Looked forward to the opportunity to possibly learn something from more experienced people. Did note that things were a little "weird" at first. Generally stated that it would take time to get used to each other, but didn't anticipate any problem. Also stated the anticipated control of his/her military subordinates (i.e. they will not fall under civilian supervision within the workceter).
- Depot level artisans indicated more discomfort from the situation than the military. Artisan (speaking on behalf of his workceter) noted that they weren't sure what to make of the move at first. In fact, when questions about the FRC integration, he didn't seem to really understand what was going on. Artisan noted that there was an initial perception that their jobs could be impacted by the integration of work centers. Developed the impression that they may be somewhat fear job security. If they teach the military members their skill sets, they become less valuable. Civilians' interaction not incentivized properly. Something that could be corrected through better communication and a creative incentive program.

- The military should find a way no not only incentivize the artisans BCM interdiction abilities, but incentivize their role as trainers and mentors for their trade.

Do any of the enlisted think they are going to lose their jobs?

Never go the impression that the junior enlisted perceived the possibility
of losing their jobs due to the integrations. More senior personnel
acknowledged that some degree of downsizing was likely.

Recommendation – Handbook for change (FRC integration)

Noted first I/D integrated work center at FRC Southwest.

Didn't see any incentive alignment

B. Site Visit Notes (Marine Corps)

Conversation notes taken on 26 and 27 October 2006, with personnel from each of the junior enlisted, Non-Commissioned Officers, Staff Non-Commissioned Officers and Officers from the three MALS that participated in the survey.

NR = Non rate (junior enlisted)

NCO = Non Commissioned Officer

SNCO = Staff Non Commissioned Officer

O = Commissioned Officer

1. Can you describe the methodology you have used to help transform the organization?

- (Teams, consultants, guidance from higher up)
- NR1. We have AIRspeed office in the head quarters building.
- NR2. We have AIRspeed office and CNAF has been here.
- NCO1. Teams visit from higher and we have AIRSpeed office.
- NCO2. We have AIRspeed office that trains the squadron.
- SNCO1. We train with the AIRspeed shop and CNAF came here twice.
- SNCO2. We have AIRspeed training from the AIRspeed office.
- O1. The AIRspeed office and Wing, and CNAF are all involved in the transformation.
- O2. We have implemented and AIRSpeed office and routinely conduct training.
- 2. What kind of barriers have you encountered to implementing the new FRC structure?
 - NR1. Some people want the change and some don't.
 - NR2. Most of squadron is deployed and we are attached to this one.
 - NCO1. Any change to the way of doing business has barriers.
 - NCO2. We do what the C.O. tells his officers and SNCOs.
 - SNCO1. We don't see that yet with the MALS for a while.
 - SNCO2. I think the Navy forgot about the Marines and they way MALS are different from AIMDs. We deploy on ships and on land.
 - O1. Getting Marines on board to a new way of thinking and doing our mission.
 - O2. None so far since we still have our mission.

- 3. What kind of reaction did you get from the CPO (SNCOs) mess?
 - NR1. Most just want to take care of their Marines and support the C.O. to move it that way.
 - NR2. Most support it but publicly but I don't think so personally.
 - NCO1. I think all are on board if they are squared away SNCOs.
 - NCO2. I know some hate it and others like it.
 - SNCO1. Some resistance and some support.
 - SNCO2. Some of us with experience think it is the flavor of the week and others think we can get some good out of it until the next money saver comes along.
 - O1. They will for the most part be the ones driving the main effort to the Marines they lead.
 - O2. The SNCOs are our mid level management and they are humping up the hill every day.
- 4. What kind of reaction did you get from the junior enlisted?
 - NR1. I am just learning my MOS so this is okay with me.
 - NR2. We just wan to do our jobs right.
 - NCO1. They do what is expected of them.
 - NCO2. They are Marines and Marines follow orders.
 - SNCO1. They are for it.
 - SNCO2. They will do what our directives tell us.
 - O1. Most are motivated and easily accept the new direction.

O2. I believe the hard chargers are seeing the importance of the implementations.

5. Do you have greenbelts/black belts? NR1.Yes. NR1. Yes. NCO1. Yes. NCO2. Yes. SNCO1. Yes. SNCO2. Yes. O1. Yes. O2. Yes. How many? NR1. I don't know. NR2. I don't know. NCO1. At least four in every division NCO2. At least 10 to 20. SNCO1. Not sure. SNCO2. A couple in each division. O1. All divisions are represented. O2. My division has four and other divisions have the same, I believe.

What pay grades?

NR1. Officers and SNCOs.

NR2. Mostly NCOs and SNCOs.

NCO1. Officers, SNCOs, and NCOs

NCO2. SNCOs and a few NCOs.

SNCO1. NCOs and SNCOs and a couple officers.

SNCO2. Officers, SNCOs and NCOs.

O1. Officers, SNCOs and NCOs.

O2. NCOs and higher.

6. Is it a sought after position?

NR1. I think so.

NR2. I don't know.

NCO1. I believe so.

NCO2. No, I don't want it.

SNCO1. Yes, like any qualification is.

SNCO2. Yes.

O1. Yes.

O2. Of course.

7. Do you get incentives for being a qualified in the program in some way?

Liberty / recognition?

NR1. I don't think so.

NR2. Probably a line on the fitrep.

NCO1. None that I can think of.

NCO2. Fitrep line.

- SNCO1. Section I in Fitrep and maybe for a meritorious promotion board.
- SNCO2. Pride and respect of those they train.
- O1. The additional duties block on the performance report.
- O2. Separate you from your peers during evaluations.
- 8. You don't have a NADEP. Have you had depot level artisans sent to your facility to perform BCM interdictions?
 - NR1. Some times the come over to help.
 - NR2. I haven't seen any.
 - NCO1. If we request them they come over to help us out.
 - NCO2. Rarely.
 - SNCO1. If requested.
 - SNCO2. We don't work with them much at the I-level.
 - O1. We go to them with questions more than they come here to assist us. We also have Technical Representatives from NAESU.
 - O2. NAESU is our contact.
 - 9. If so, what was the working relationship between them and the enlisted?
 - NR1. They teach us things we don't know about fixing our gear.
 - NR2. NA
 - NCO1. Most were in the Navy or Marines and know their stuff.
 - NCO2. They are good to go.
 - SNCO1. There are good ones and bad ones.
 - SNCO2. They are who we go to when we need help.

O1. They are the experts who have more knowledge.

O2. Yes.

10. Do any of the enlisted think they are going to lose their jobs?

NR1. No

NR2. No

NCO1. No.

NCO2. No.

SNCO1. In the next five years none.

SNCO2. Eventually.

O1. We have taking very positive steps in the right direction.

O2. Yes.

11. How has the average sailor (Marine) in the work center been educated on the new FRC concept of their changing role? (Additionally, of some artisans responsibilities via OJT).

NR1. We have some training.

NR2. I have heard about it but don't care at this point since I am just out of "A" school.

NCO1. Not any time soon.

NCO2. The AIRspeed officers train us.

SNCO1. Formal and informal training.

SNCO2. Some read, some ask questions to the teams, when they came here and our AIRSpeed office has given training in the past.

- O1.Yes.
- O2. We continue to train but people continually turn over.
- 12. Try to locate the BRAC guidance that direct BCM interdiction.
 - NR1. In the AIRspeed office.
 - NR2. In QA or AIRspeed office.
 - NCO1. In the AIRspeed office.
 - NCO2. AIRspeed Officer.
 - SNCO1. AIRspeed office.
 - SNCO2. AIRspeed Officer
 - O1. In the AIRspeed office.
 - O2. AIRspeed Officer.
- 13. Talk about the changing paradigm no maintenance meetings.
 - NR1. The shop heads still go to the morning maintenance meetings.
 - NR2. We always have maintenance meetings.
 - NCO1. We still have maintenance meetings; I think they are needed for communication.
 - NCO2. Some one is always changing the way we get stuff done so they can get a medal.
 - SNCO1. We have meetings still and I believe they are needed but Marines always do what is expected.
 - SNCO2. More work so far.
 - O1. The need for information from the leaders is always needed and a

quick maintenance meeting is a good thing. Any change is tough but needed for continued improvements.

O2. We haven't encountered much of a shift yet.

LIST OF REFERENCES

- 1. Department of the Navy, *COMNAVAIRFORINST 4790.2*, *Volume I*, 1 February 2005.
- 2. Department of the Navy, *COMNAVAIRFORINST 4790.2*, *Volume II*, 1 February 2005.
- 3. Department of the Navy, *Naval Aviation Vision 2020*, October 2001
- 4. Department of the Navy, NAVAIR, NAVAIR AIRspeed overview Brief, October 2004.
- 5. Laszcz, Pete, Captain, Aviation Maintenance Duty Officer Association Newsletter, Vol. 25, Winter 2005-2006.
- 6. Fathke, Don and Buckley, Bob, *Fleet Readiness Center (FRC) Transformation A Systems Approach*, September 2005.
- 7. Morgan, Gareth, *Images of Organization*, 2006.
- 8. Zortman, James, VADM and Massenburg, Walter, VAML, *Naval Aviation Enterprise: A Warfighting Partnership*, brief for the Naval Aviation Enterprise Investment Alignment Symposium, 8 March 2006.
- 9. Department of the Navy, FY 2007 Navy Budget Submission, February 2006.
- 10. Lewin, Kurt, Field Theory in Social Science, 1951.
- 11. Accel-Team, *Force Field Model*, 2006, http://www.accel-team.com/techniques/force_field_analysis.html
- 12. Cresie, John, *Changing the Culture of Your Organization*, Law and Order, 53, 12, December 2005.
- 13. Kotter, John, *Leading Change*, Excerpt, Chapter 1, 1996.
- 14. Kotter, John, *Leading Change*, Executive Excellence, April 2000.
- 15. Kotter. John, *Transforming Organizations*, Executive Excellence, September 1996.
- 16. Duck, Jeanie Daniel, *Managing Change: The Art of Balancing*, Harvard Business Review, November-December 1993.

- 17. Mc Shane, Steven and Von Glindo, Mary Ann, *Organizational Behavior 3e*, McGraw-Hill/Irwin 2005.
- 18. Rousseau Denise, *Psychological Contracts in Organizations*, 1995.

INITIAL DISTRIBUTION LIST

- Defense Technical Information Center Ft. Belvoir, Virginia
- 2. Dudley Knox Library Naval Postgraduate School Monterey, California